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TOURISM IN MARYLAND: ANALYSIS AND RECOMMENDATIONS

report to

MARYLAND DEPARTMENT OF
ECONOMIC AND COMMUNITY DEVELOPMENT

Arthur D. Little, Inc.

TOURISM IN MARYLAND:

ANALYSIS AND RECOMMENDATIONS

EXECUTIVE SUMMARY

In February 1972, Maryland's Department of Economic and Community Development asked Arthur D. Little, Inc. to undertake a study of tourism in Maryland. The study was to focus on identifying the impact of tourists on the economy and to recommend actions that would lead to the State's taking the most appropriate role in tourism development.

To sum up briefly, we found that

- Tourists who have the greatest impact on the State's economy are those who 1) stay in hotels or motels, 2) attend conventions, and 3) do these things in Metropolitan Baltimore or Washington, or near Ocean City.
- Maryland has many existing and potential tourist attractions, and is strategically located in the large Eastern U.S. market.
- For some regions in Maryland, development of potential tourism attractions can provide jobs and economic benefits (though not at the levels just described) where other economic opportunities are scarce.
- In evaluating potential tourism developments, it is necessary to distinguish economic from social benefits. Both provide valid reasons for development, but different criteria should be used for evaluating potential developments according to their objectives.
- Maryland's Division of Tourism is very effective in its promotional efforts. However, by comparison with other states, Maryland makes a smaller budgetary commitment to tourism development.

Our major recommendations are that

- Maryland make a formal commitment to tourism development to the extent of allocating \$4 million a year. This allocation can be more than recovered through the benefits of development, as discussed below.

- Maryland adopt a three-point development strategy:
 - An expanded promotional effort by the Division of Tourism (\$1 million)
 - A seed-capital program (\$2 million) for projects around which commercial development can take place
 - A program for acquiring undeveloped land and historic buildings
- These latter two programs can be funded by raising the current lodgings tax from its present 4% to 8%, and advertising it as a "Conservation and Preservation Tax," if a majority of lodgings-tax collections are earmarked for this purpose. Increased general tax receipts from tourism should more than cover the additional costs of promotion.
- The State's tourism-development activities can be most efficiently served by a functional (not necessarily departmental) organization that has three parts: 1) planning and development, 2) marketing and servicing, and 3) field operations.
- The State should take a leadership role in stimulating the private sector and local communities to cooperate in the development of tourism projects. State leadership is a necessary, but not sufficient, condition. There is also a need for a private organization with a staff to work closely with the State and the tourism industry in the promotion and development of tourism projects. Local communities as well as the private sector should be expected to demonstrate a commitment similar to the State's.

Scope and Method of Study

These findings and recommendations are based on seven months' work by a team of consultants from ADL, together with William R. Fothergill, a Washington-based tourism specialist. The results are summarized here and explained in more detail in our full October 24, 1972 report to the Department of Economic and Community Development and six Technical Appendices found in a separate volume. During the study period, the consultant team spent considerable time in Maryland, reviewing Maryland's tourism attractions and talking to people — both tourists and people in tourist-serving industries, including the various government offices. We reviewed what other states are doing to promote tourism, and developed an economic-impact model and a methodology which can be used by the State of Maryland on a continuing basis for gauging the impact of tourist expenditures.

What is a Tourist?

Central to this method of impact assessment is the ability to differentiate among tourists. Tourists, with each dollar they spend in the State, create effects like ripples spreading outward from a rock thrown in a pond. However, some tourists create bigger ripples than others. It is very difficult to define precisely what a tourist is because so many different types fit under that rubric. For the purposes of this analysis, we define a tourist in terms of the region that he visits, the type of activity that he engages in, and the type of lodging that he stays in.*

How Does Tourism Benefit the State?

In analyzing the State's role in tourism development, it is important to distinguish between, on the one hand, tourism-development projects which generate economic activity in the State and thus enhance employment, tax revenues, sales and income; and, on the other hand, projects whose value is primarily social, such as preservation of the State's historical heritage, preservation of valuable natural or wild resources, and the provision of amenities intended primarily for use of the State's citizens. An effective State tourism development policy will recognize the differing abilities of different types of tourism projects to further either of these ends, using different criteria to evaluate them. Failure to make this distinction may mean that neither the economic nor the social aspects of tourism are effectively developed.

Making this distinction between tourist types and the objectives of tourism development, we conclude that, overall, Maryland is in an excellent position to increase its revenues from tourism. The State can thereby increase its tax receipts and at the same time use the proceeds from economic-oriented tourism projects

*Regions, activities, and lodgings are defined as follows:

Region (Counties)	Activity	Lodging
Western Appalachia (Garrett, Allegany)	Conventions	Hotel/Motel
Eastern Appalachia (Washington, Frederick)	Outdoor Recreation	Second Homes
Washington Metropolitan (Montgomery, Prince George's)	Beaching	Day Trips
Baltimore Metropolitan (Carroll, Howard, Baltimore, Harford)	Boating	Campsites
Southern Maryland (Anne Arundel, Calvert, Charles, St. Mary's)	Sightseeing	
Upper Eastern Shore (Cecil, Kent, Queen Anne's, Talbot, Caroline, Dorchester)	Fishing	
Lower Eastern Shore (Wicomico, Somerset, Worcester)	Hunting	

to help finance socially valuable types of projects. The latter will primarily benefit Maryland's citizenry and, secondarily, will improve Maryland's ability to attract tourists from outside.

However, to capitalize on this potential, Maryland will have to become far more committed to tourism development than it currently is. It will also have to change somewhat as discussed further below, the focus and emphasis of its tourism development activities.

Tourism brings a lot of money into Maryland. This year, we estimate, tourists will spend somewhere between \$300 million and \$500 million in the State of Maryland. The level of tourist spending has been growing at a rate of about 11% each year. State and local tax revenues directly attributable to tourist spending are estimated to exceed direct State and local expenditures on tourism-related services.

What is the Economic Impact of Tourism?

However, our impact analysis, which breaks tourist activities down by region, activity, and type of accommodation, indicates that there is a wide variance between the economic impact of different types of tourists. The tourists who spend the most money tend to be adults traveling without children, such as conventioners and sightseers, who stay in motels and hotels. Conventioners in Baltimore are the most important since they stay in high-cost downtown hotels and avail themselves of the kinds of opportunities for shopping and entertainment that are only available in a major city. Conventioners in Metropolitan Washington and Ocean City are also important. Lodging is the single most important factor in a tourist's daily expenditure. The estimated range of total daily expenditures per tourist staying in either a hotel or motel is \$15 to \$50 per day.

While the level of daily spending is important to the impact of tourism, the impact is also related to the interplay of sectors within the economy — the ripple effect referred to earlier. Daily expenditures count only direct spending. However, they also produce indirect spending and induced spending. For example, a thousand tourists staying in Metropolitan Baltimore for one night would generate about \$81,000 in sales (direct, indirect and induced) in that Region. This creates about five full-time job equivalents, \$19,000 in income, and \$4,125 in State and local taxes. The Statewide impact of these tourists is greater since some of the economic activity of their expenditures leaks out of the Baltimore area. Statewide, 1,000 tourists in Baltimore staying in the hotels would generate \$100,000 in total sales, in the process creating six man-years of employment, \$6,000 of additional income, and \$4,816 in State and local tax revenues.

It is difficult to classify any one type of tourist as average, but the median in terms of sales generated both regionally and Statewide is the tourist going to the beach in the Lower Eastern Shore and staying in a camper vehicle. Typically, 1,000 such tourists generate in one day sales of \$7,000 in the Region and total Statewide sales of about \$11,000. Day-trip tourists – that is, those staying in no accommodations but seeking various forms of outdoor recreation or visiting historical sites – have the least economic impact. Average regional sales generated by 1,000 such tourists in one day would be about \$4,500 and total Statewide sales generated by their spending would be around \$7,500. (It should be noted that these impact figures do not reflect the absolute amount of spending by all tourists of any particular type, which is a function of the total number of tourists.)

The marginal costs of tourism to the State are difficult to estimate since tourists use the same facilities (e.g., highways, roads, sewer systems) as residents. We have estimated that the average tourist spending a day in Maryland costs the State about 37¢. However, the average tax receipts from a tourist-day in Maryland are about 50¢.

How Can the State Draw Greater Benefits from Tourism?

Results of the impact analysis suggests that the State, in order to derive maximum economic benefit from tourism, should concentrate on strategies aimed at increasing the number of tourists who stay in hotels and motels. The development of vacation homes is also important economically, though in a slightly different way. People using vacation homes tend to come as families, and their total expenditure on the vacation is substantial though pro-rated over the entire family. However, a strong vacation-home tourism in a region means annual increases in the local tax base as new homes are built, as well as a healthy local construction industry. While concentrating on the stimulation of hotels and motels and the development of vacation homes, the State should also recognize that campgrounds which serve expensive recreational vehicles are an increasingly important part of the tourism picture.

In terms of regions, priorities in terms of economic impact should be oriented towards the metropolitan areas of Baltimore and Washington and to the Lower Eastern Shore. The multiplier effect of each dollar spent in these regions is higher, due in large part to the wider range of goods and services available and to the fact that there is less leakage of the expenditures out of Maryland. Other regions could be accorded a high degree of development priority on the basis of their ability to attract out-of-state tourists and on the basis of their need for some type of economic development to support the regional economy.

In terms of tourism activities, we give great weight to Maryland's water and history. Water is the *sine qua non* of outdoor recreation. History, presented with a flair, is a prime motivator for sightseers, which probably constitute the broadest market. There are no visible limits to potential growth except possible constraints on State commitment in order to allocate funds to other goals.

A State Commitment to Tourism

We recommend that Maryland should formally adopt a program committing itself to growth and development to tourism in the State. There are five fundamental points upon which this argument rests: (1) the benefits generated by tourism activities in terms of sales income, employment and tax revenues are positive and appear to be in line with those of other industries; (2) the direct costs to the State of maintaining tourism appear to be at least covered by the tax revenues tourists generate; (3) Maryland's potential for increased tourism volume appears to be great when considering the State's natural, cultural, historical and physical resources and the fact that it is well situated in relation to the rapidly growing urban eastern market; (4) other states with less or equal potential devote more public funding to tourism programs; and (5) a relatively well-developed tourism base already exists in the State and plans are under way for expanding various tourism programs. Many of these activities, however, are oriented toward objectives which may not be in the best interests of the State as a whole. Only by becoming more involved in tourism development can the State assure that Statewide objectives can be achieved.

Most of the State's current commitment to tourism is centered around the work of the Division of Tourism, which is devoted to preparing advertising programs, films, brochures and publications; responding to inquiries; and communicating with special interest groups such as hotel/motel operators and tour operators, chambers of commerce, and other local organizations.

When viewing the role of the State's tourism program in this way, Maryland's Division of Tourism ranks high nationally. Its director and staff are recognized and highly regarded throughout the industry. However, when comparing Maryland's State travel budget to those of other states, Maryland is below average. Using budget as an indication, Maryland cannot be thought of, in either relative or absolute terms, as committed to tourism. On the average, state travel or tourism budgets as appropriated are less than a 0.1% of total state revenue and a little higher than 0.1% of the direct state expenditures. Maryland's relative position in this dimension is at the low end of the spectrum; that is, its State travel budget is about 0.03% of total State revenue.

If the State does develop a commitment to tourism, it will need not only to strengthen the present promotional functions of the Division of Tourism, but also to encourage the type of developments which will increase economic activity in the State.

However, economics-oriented tourism will not be sufficient. With the increase of leisure time, mobility, and appreciation for an unspoiled environment, there will be a growing demand for types of projects which are not justifiable on economic grounds alone. States are receiving greater pressures from the residents to support these kinds of activities. These pressures are manifested in many ways, not the least of which is implicitly exerted by corporations who ask for such amenities to be provided in areas where they are intending to locate. In fact, competition among states for corporate and plant locations can often be reduced to these factors.

Therefore, it is certainly in Maryland's best interest to provide as much of this type of tourism amenity as is practical. The costs of default from not developing these types of activities may be very great. People may be attracted to other states that do provide them.

Accepting this argument, the need for being committed to a well-planned and efficiently-organized program by the State logically follows. Such a program recognizes the economic aspects of tourism and also the social components of tourism and develops projects designed to satisfy both. It uses different criteria, however, to evaluate each type.

A Three-Part Development Strategy

We recommend that the State undertake a three-part strategy to promote the growth of tourism. Each part addresses a critical area of development as defined above. The three parts of this strategy are as follows:

- Increase the operational breadth and intensity of the Division of Tourism to support the existing tourism plant and to attract private investment in new facilities in Maryland's prime tourism areas. Benefits would be based on an accelerated growth rate of tourism in Maryland.

- Institute a program of seed capital investments to attract private investments to regions where tourism does not make a significant contribution to the economy, but where there is significant tourism potential or where other economic ventures are not feasible. Benefits would be based on the specific economic effect of new motels or other facilities in the region, plus the general advantages of dispersing impact, alleviating congestion, and contributing to overall growth simultaneously.
- Institute a program to acquire undeveloped land and historic structures which will serve as assets on which to base future tourism growth. Benefits would be conservation, preservation, and ability to influence future growth patterns.

The strategy is designed to put tourism on a business basis in State policy and planning deliberations. The main thrust of the strategy is the attraction of private investment. The specific objective is private investment in hotels and motels to draw the tourists who spend the most. We estimate that pursuing this strategy would cost the State about \$4 million a year. This figure includes an additional \$1 million to strengthen the operations of the Division of Tourism, \$2 million for the seed capital program, and \$1 million for the acquisition of additional tourism resources.

The *Division of Tourism*, in an expansion of its current role would aim to support and encourage private investment in tourist-serving facilities. Formal and aggressive promotion of investment in new facilities will require Statewide tourism development planning, technical assistance in determining the economic feasibility of new projects, and extensive contact among potential investors. The increased budget of the Division of Tourism would be justified by additional tax revenues attributable to the increased operational breadth and intensity of its activities.

The *seed capital program* will make it possible for the State to invest in certain kinds of tourist attractor facilities in regions that currently do not have significant tourism but do have promising potential. By so doing, they will create a favorable investment situation for private motel operators. The kinds of projects contemplated would be oriented toward either historic preservation or recreation. As envisioned, the program would allocate about \$1 million per year to historic preservation projects or two projects per year. As a tactic for generating tourist interests, the State could consider, for example, establishing a network of early American restaurants in historic buildings. When a number of such restaurants are open, the network could be promoted as a package around an extended sight-seeing trip through Maryland ("Visit the Inns of Maryland"). Local citizens and

the Maryland Historical Trust could create a series of historic attractions in the vicinity of the restaurant which might create enough activity to justify a motel in the area.

We also recommend that as part of the seed capital investment program, the State should support two new recreational projects each year, each costing about one half million dollars. The planning concept would be similar to that for preservation projects. Facilities could include marinas and golf courses, both of which are in short supply in several areas of the State.

Acquisition of undeveloped land and historic buildings is recommended as a part of the development program, to ensure that Maryland's natural and cultural assets will be protected and available in the future. Such a program would tacitly acknowledge that some of the benefits of tourism development should be properly allocated to natural and cultural resources. The program should be aimed primarily at providing tourism activities for State residents. The \$1-million-per-year cost of this program probably can not be covered by the economic benefits it would generate. Therefore, it is important that the program be evaluated not by economic criteria, but in terms of how well it satisfies designated social objectives.

How Can The Programs Be Funded?

Justification for funding these programs is based on the fact that tourism generally is an economically productive activity. Furthermore, emphasis in the proposed programs is primarily on the most productive segments of the market. Thus, we believe an increase in Division of Tourism expenditures would be justified by increases in tax revenues. The capital investment program would be justified by the economic benefits derived from new motels in strategic areas and by the self-sustaining aspects of the State projects. The program to acquire undeveloped land and historic buildings would be justified by social benefits in the same manner that current expenditures for conservation and preservation are justified.

The programs could be funded from general revenues, but because of the many other priority demands on the State Registry, another approach -- introducing a new tax on tourists -- would probably have to be instituted as well. In this way, those who use Maryland's travel facilities would help pay for their expansion and improvement. The proposed \$4 million development strategy could be financed in total by raising the tax on accommodations from its present 4% to a new level of 8%.

Such a tax on lodging would probably not act as a significant deterrent to tourists to stay in Maryland's hotels. The State could demonstrate its responsiveness to the public concern for the environment, for example, by designating it a "Conservation and Preservation Tax." A message stamped on room receipts could explain the purpose of the tax. To justify such a statement, legislation should include a specific requirement that a majority of tax collections be used for these purposes. As presently proposed, about half of the \$4 million a year program would be for conservation and preservation — half in the seed-capital program, and half in the acquisition program.

Organization for Tourism Development

In the full report, we have described a functional organization for the State's tourism development activity. Essentially, this functional organization breaks down the State's tourism development functions into three parts: planning and development, marketing and servicing, and field operations. The structure makes it possible to account for all of the important functions in tourism development, be they performed within the Division of Tourism, the Department of Economic and Community Development, or some other state department.

We believe that by embarking upon the development program described above, Maryland can not only make tourism pay its own way, but in addition, can derive significant economic benefits from expanding tourism and can also provide better recreational and cultural facilities for the residents of the State.

Cooperation with the Private Sector and Local Communities

If Maryland makes a formal commitment to tourism and proceeds along the programmatic lines described above, it will need to do so in close cooperation with the private sector and with local communities. For example, projects under the seed-capital program described above could be tied to commitments from private interests to build lodgings and restaurants, and from local communities to provide zoning changes and some infrastructure development.

There is a need for a private-sector coordinating staff to act as a go-between for the State and the travel industry. Such a staff could be built around the Maryland Association of Travel Executives, though it need not be. This coordinating staff could augment the State efforts in follow-up on inquiries generated by the State marketing program, regional development efforts, investment programs, and research.

Questions Requiring Further Investigation

Continuing research and information-updating should be conducted in two major areas:

- Assessing the cost-effectiveness of Maryland's tourism-promotion efforts.
- Improving and updating the data base in the economic impact model to yield a more accurate picture of tourist expenditure impacts.

Some methods of evaluating promotional methods are suggested at appropriate points in the main report, as are ways to improve the accuracy of the model. In the latter area, there is a need to improve the accuracy of estimating receipts of tourist spending. Also, there is a need to continually update unit-cost data in the impact model to reflect price rises and inflation. Such data will soon be available through the Discover America Travel Organization. .

Conclusion

In our opinion, if Maryland

- Makes a formal commitment to tourism.
- Expands its tourism-promotion effort.
- Institutes a seed-capital program,
- Introduces a preservation program,
- Levies a "Conservation and Preservation Tax" on lodgings.
- Organizes its tourism efforts along functional lines.
- Actively cooperates with the private sector and local communities.
and
- Develops criteria for evaluating the effectiveness of promotional efforts and tourism projects

then Maryland will have one of the most dynamic and forward-looking tourism programs of any State in the United States. Most important, the State's tourism program will pay for itself, will benefit the State's economy and the economies of regions and communities within the State, and will provide Maryland's residents with a broader range of recreational and cultural opportunities.

TOURISM IN MARYLAND:
ANALYSIS AND RECOMMENDATIONS

October 1972

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Report to
Maryland Department
of Economic and Community
Development

TABLE OF CONTENTS

	<u>Page</u>
I. Introduction	1
A. Purpose of the Study	1
B. What is Tourism?	2
1. Major Components	2
2. The Implications of Poor Definition	3
3. A Definition of Tourist Types	3
4. A Definition of the Tourism Industry	4
C. What is Meant by Benefits and Costs?	4
1. Economic Benefits	7
2. Social Benefits	7
3. Mixed Benefits	8
D. Our Approach to the Study	8
1. Tourism Organization	9
2. Economic Impact	9
3. Resources	11
4. Recommendations	11
E. Organization of This Report	12
II. Assessment of Tourism in Maryland	15
A. Overall Impact	16
1. Benefits	16
2. Costs	17
B. Impact Profiles	25
1. Introduction to Tourist Profiles	25
2. Expenditures	27
3. Economic Impact	34
4. Assessment by Activities	38
5. Assessment by Regions	49

TABLE OF CONTENTS (Continued)

	<u>Page</u>
III. The State's Role in Tourism	61
A. Present Level of State Commitment	63
B. Implications of Impact Analysis for State Action	70
1. Lodgings	71
2. Regions	72
3. Activities	73
C. Tourism as a Component of State Economic Development Strategy	78
IV. Recommended Strategy for Tourism Development	83
A. Why Maryland Should Be Formally Committed to Tourism Development	84
B. A Three-Part Development Strategy	86
1. Increase Operation Breadth and Intensity of Division of Tourism	88
2. Institute a Seed Capital Investment Program	91
3. Develop Resources for the Future	97
C. Funding the Program	98
1. The Lodgings Tax	98
2. Possible Drawbacks of an Increased Lodgings Tax	99
3. Possible Benefits of an Increased Lodgings Tax	100
D. Review of Effects	100
1. Western Appalachia	101
2. Eastern Appalachia	101
3. Metropolitan Washington	102
4. Metropolitan Baltimore	102
5. Southern Maryland	103
6. Upper Eastern Shore	103
7. Lower Eastern Shore	104

TABLE OF CONTENTS (Continued)

	<u>Page</u>
E. Functional Structure for Tourism Development	104
1. Planning and Development	106
2. Marketing and Servicing	107
3. Field Operations	108
F. Cooperation with Private Sector and Local Communities .	109
 FIGURE 1 Maryland Regions Used in Tourism Analysis	 5
FIGURE 2 Analytical Matrix for Tourism	10
FIGURE 3 Functional Organization for Tourism Development . . .	105
 TABLE I "Tourism Industry" Components	 6
TABLE II State and Local Direct General Expenditures in Maryland--A Part of Which is for Tourists - 1967 . .	23
TABLE III Significant Tourism Impact Combinations	26
TABLE IV 1. Expenditures by Hotel/Motel Tourists	28
2. Expenditures by Second Home Tourists	29
3. Expenditures by Day Trip Tourists	30
4. Expenditures by Camping Tourists	31
TABLE V Rank Order of Tourist Impact Per 1000 Tourist Days .	35-37
TABLE VI Rank Ordering of Statewide Sales Impact by Activity	40
TABLE VII Average Statewide Impact by Tourist Activities Per 1000 Tourist Days	41
TABLE VIII Rank Ordering of Statewide Sales Impact by Region of Origin	50
TABLE IX Average Regional Impact of Tourists Per 1000 Tourist Days	51
TABLE X Selected State Comparative Statistics on Tourism Budgets	65

TABLE OF CONTENTS (Continued)

		<u>Page</u>
TABLE XI	Relationship Between Travel Volume and Population in Selected States - 1967	79
TABLE XII	Lodging Industry in Maryland Sales Tax Collections Taxable Revenues and Rate of Growth	90
TABLE XIII	Estimated Impact of Motel Development Program . . .	96

I. INTRODUCTION

A. PURPOSE OF THE STUDY

The purpose of this study has been to provide the State of Maryland with insights in support of sound economic decisions regarding tourism and to recommend actions for the State to take with respect to tourism which are in Maryland's best interest. The most basic decision is whether or not Maryland should be formally committed to tourism development. Specifically, therefore, the major objective of the study was to present the Department of Economic and Community Development with information and assessments to help the Department to reach this decision, and on the basis of the analysis to make recommendations which will help in the evaluating and planning of policies affecting the State's involvement in tourist functions.

Our basic conclusion resulting from the study is that Maryland should make a strong commitment to tourism development; the final chapter of this report sets out a program for the State to pursue. The study has also produced many other results which should prove useful not only to the State government, but to local governments, the private sector, and other interest groups as well. These results, which emerged during the process of analysis, provide basic information about the characteristics of the "tourism industry" and the tourist. We have also developed a methodology which should be helpful in assessing individual tourist projects. The basic outputs of the study include:

- A taxonomy of the "tourist industry" in Maryland and a comparison of the State's operations with those of other states;
- Profiles of sixty major tourist types, defined by activity, region and accommodation, in which the spending characteristics and gross economic benefits to the regions and the State are developed;
- A broad assessment of the tourism resources and facilities in the State;

- An interindustry and interregional impact model describing the structural and geographical implications of different categories of tourist expenditures;
- An indication of the major costs, in terms of public resources, generally involved in tourism development; and
- Implications for actions on the part of the State.

It must be noted that this study has not produced a market analysis or projections of market potential. It is our belief that the State has been very wise in choosing to investigate the more fundamental question of what impact tourists have so that they can first decide if it is in the State's best interest to explore tourism markets, or perhaps more realistically, so that they can determine which markets they should explore. Because of data limitations, much of the basic data for the analysis, such as tourist expenditures, had to be derived from highly selective interviewing in Maryland and knowledge and experience from other states. Thus, while a data base has been developed for this study, it is strongly urged that the State, if it decides to make a commitment to tourism, use the results found here and expand and improve on the data.

B. WHAT IS TOURISM?

1. Major Components

Tourism from the producer's side is not a well-defined industry. However, three major components directly related to tourism can be identified as (1) attractor facilities (e.g., beaches, public parks, game preserves, galleries, museums, theater companies, scenic attractions, ski resorts, golf centers, etc.), (2) accommodations and services (e.g., hotels, motels, trailer parks, sightseeing buses, restaurants, gift shops, etc.), (3) infrastructure development (e.g., highways, airports, ports, etc.). Another component, not directly considered a part of tourism, is the set of support industries (e.g., food industry, laundry service, construction industry, etc.). The success of any particular tourism project is at least partly dependent upon the presence of all of these components.

Thus, tourism is really a sector cutting across many industries. The businesses most directly affected are commercial lodgings, which deal

almost entirely in tourism; restaurants and bars; nightclubs, theaters and amusements; transportation services; specialty shops; and commercial attractors (e.g., ski slopes, historic buildings, beaches, etc.). As we shall see later, the extent to which the various tourism-related businesses are affected by tourist spending varies widely as a function of what type of tourist is being considered. For example, a conventioner's spending patterns encompass a wider range of industry demands than a camper's. Most likely, therefore, it is the amorphous and ill-defined concept of a tourist (i.e., the consumer) which makes it difficult to define the industry.

2. The Implications of Poor Definition

Much misunderstanding arises in debating issues regarding tourism (the activity) or tourist (the consumer) because of the different meanings people associate with these terms. In our discussions with various people in the State, we found that the distinction between tourism as a generator of economic benefits and tourism as a generator of social benefits (e.g., recreation, clean air and water, preservation of historical landmarks, etc.) was not generally a part of the way in which tourism development was viewed.

Therefore, a strategy regarding tourism development must recognize the fact that a wide range of activities are usually included within the definition of tourism and also that widely different objectives are sought in developing tourism. Because of the amorphous nature of tourism, the activities can include bicycle hikes as well as conventions. Obviously, these two activities cannot be evaluated by the same criteria, even though the development of facilities for them may compete for the same public resources. Unless a conscious distinction is made in setting up criteria for evaluating programs whose objective is to serve such diverse activities, neither the economic nor the social aspect of tourism may be efficiently developed.

3. A Definition of Tourist Types

In order to place boundaries on the wide range of activities encompassing tourism, we have defined tourists by (1) their activities, (2) the type of lodgings they use, and (3) the section of the state where they

engage in the activity. In terms of the following, we have defined activities as: (a) conventions, (b) outdoor recreation, (c) beaching, (d) boating, (e) sight-seeing, (f) fishing, and (g) hunting.¹ In terms of accommodations, we have limited ourselves to: (a) hotels/motels, (b) second homes, (c) campsites, and (d) day trips (i.e., no accommodations). We have, furthermore, considered that a tourist is a person participating in one of the above-listed activities outside of his immediate residential region. This would include both people from out of state and State residents who travel from their homes in one of the seven Maryland regions shown in Figure 1 to another region within the State.

Tourists we may have excluded from our analysis through these definitions are people on business trips (other than conventions) and people visiting friends and relatives. Though these are legitimate tourists, by most definitions, they are less influenced by State tourism-development strategy.

Thus, in the present study, a tourist is anyone who can be described by the following characteristics: participating in one of the seven types of activities; and utilizing one of the four types of accommodations; and visiting one of the seven regions.

4. A Definition of the Tourism Industry

On the production side, the "tourist industry" in this study includes those businesses which deal directly with tourists (see Table I). The analysis of tourism impact, however, also considers all the other industries and service sectors which are indirectly and secondarily affected by transactions within the industries shown in Table I.

C. WHAT IS MEANT BY BENEFITS AND COSTS?

From the point of view of the State, there are two basic categories of benefit and cost associated with tourism - economic and social. The

¹The activity referred to as "outdoor recreation" (b), includes all major participating outdoor sports except for beaching (c), boating (d), fishing (f), and hunting (g), all of which are significantly large in the State and therefore receive separate attention.

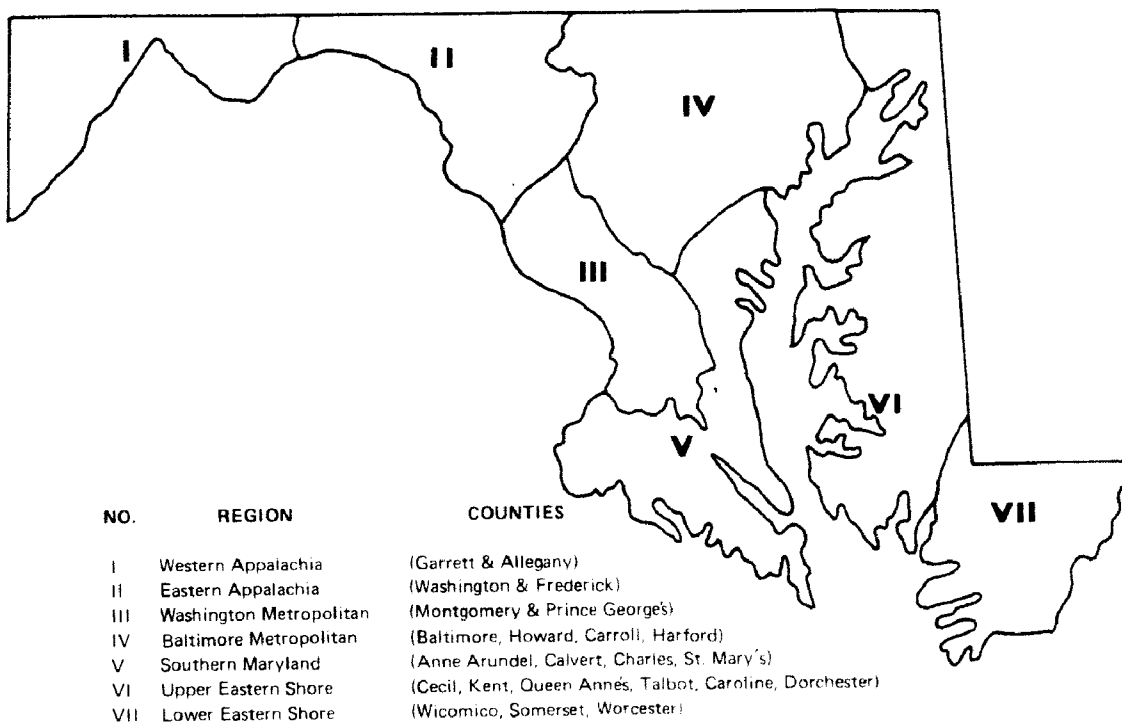


FIGURE 1 MARYLAND REGIONS USED IN TOURISM ANALYSIS

TABLE I
"TOURISM INDUSTRY" COMPONENTS

Lodging:

1. Hotels, tourist courts, motels, rooming and boarding houses, organizational hotels and lodging houses (SIC 7011, 7021, 7042);
2. Trailer parks, sporting and recreational camps (SIC 703); and
3. Rental homes (SIC 65).

Food and Beverage:

1. Food stores (SIC 54);
2. Eating and drinking places (SIC 58); and
3. Liquor stores (SIC 592).

Transportation:

1. Gasoline service stations, general repairs (SIC 5541);
2. Local transportation, buses, cabs (SIC 41);
3. Water transportation, recreational facilities service (SIC 44);
4. Auto rental (SIC 751); and
5. Parking (SIC 752).

Other:

1. Communication, telephone (SIC 4811);
2. Miscellaneous retail stores (SIC 59);
3. Personal services (SIC 72);
4. Miscellaneous business services (SIC 73); and
5. Motion pictures, amusement and recreation services (SIC 78, 79).

objective of any particular tourism program may be to derive maximum benefit at least cost in one category rather than the other. Both types of objective are legitimate pursuits for state governments. To the extent that one or the other objective can be assigned to a project, the benefits and costs can be identified and evaluated.

1. Economic Benefits

Tourism projects and programs whose objective is to maximize economic benefit can be evaluated in terms of sales generated, jobs created, income accruing and tax revenues received. As an economic activity, tourism is just one component of the economic base of the State and its regions. A rational development program for tourism must, therefore, be well integrated into a program for the State and its regions. In order to achieve the greatest economic benefits, the industries supporting tourism must also be well represented. Competitive uses of the resources devoted to tourism projects must be considered in measuring the opportunity costs. In short, the net benefits of tourism as an economic activity must be compared with the net economic benefits of the other opportunities the State and region have to choose from. Thus, in economically depressed regions with little or no industrial opportunities, tourism as an economic venture which creates jobs and increases regional income may be highly desirable, whereas the same type of development may be less desirable in an area with greater industrial opportunities.

2. Social Benefits

Tourism developments may also be largely oriented toward social objectives. These types of projects generally have such goals as preserving historical or cultural attractions and protecting the environment. Unless the attractions are developed on a very large scale and have a national or international reputation, the economic benefits (i.e., jobs, sales, income, and tax revenues) will typically be less than the economic costs.

The social benefits of preservation and conservation are almost impossible to quantify in any rigorous way. Thus, the evaluation process for projects of this kind must be distinct from that used for the projects with basically economic objectives.

Again, these projects must be integrated, at least in a planning sense, with the rest of the programs in the State and region. And, although the benefits may not be comparable with economically justified projects, the opportunity costs of these projects should be determined and considered by the State or region as the price that must be paid for the projected social benefits.

3. Mixed Benefits

Of course, not all tourist projects can be neatly categorized as "economic" or "social." Convention centers obviously are strictly economic. On the other hand, unless historic and cultural attractions are large enough in scale, which they generally are not in Maryland, they must be considered primarily as having social returns. This is not to say that these activities cannot or should not pay for themselves. The point to recognize, however, is that in very few cases should a region expect to justify, on economic grounds, the development of tourist activities which have social-type objectives. Thus, in most cases, state parks, historical sites and public recreational activities should not be judged with the same criteria as private resorts and conventions. In order to produce a program which considers both groups, the State should develop two separate groups of criteria and a formula for balancing the two groups of activities.

Finally, it should be added that the State or region in seeking various social or economic objectives can think of tourism as a development instrument. That is, tourism, because of its characteristic of being a "system" which encompasses many industries and can achieve multiple objectives (i.e., economic and social) can be beneficial to planners in achieving larger goals than are directly attributable to tourism. One such example would be using tourism as a tool for regional development. In Maryland, a number of areas appear to lack any major geographic or resource competitive advantage for industrial development, but do have a natural potential for tourism.

D. OUR APPROACH TO THE STUDY

The basic approach to this study has been (1) to evaluate the State's overall tourism organization, (2) to assess the economic impact of the

major tourist types, (3) to assess broadly the State's tourism resources, and (4) to recommend actions to the State on the basis of the analysis.

1. Tourism Organization

In evaluating the State's overall tourism organization, it was necessary first to map out the existing structure of the various components in the public and private sector which are interested and involved in the promotion of tourism in Maryland. Next, activities in other states in the country were examined and compared to Maryland's efforts. Finally, an organizational format for State tourism-development activities was developed which establishes a set of functional relationships within the State organization that we believe would increase the efficacy of Maryland's tourism-development efforts.

2. Economic Impact

To assess the economic impact of the major tourist types in Maryland, a series of tourist profiles were developed, defining tourist types by activity, accommodation, and region, as described above. Thus, it is possible to identify any one of the major tourist types in Maryland as a cell in a three-dimensional matrix. (See Figure 2.)

Although the matrix has 196 cells (7x7x4), only about 140 cells have any real meaning (e.g., there are no beaching activities in the Washington, D. C. region) and an even fewer number have a great enough volume or potential to be significant. A total of sixty tourist types was chosen for the analysis.

After the set of tourist types to be studied was selected, a State-wide survey was conducted to estimate the spending characteristics of each type. Sixteen categories were defined as representing the tourists' main expenditures. A carefully preselected sample of approximately 100 innkeepers, campsite managers, restaurateurs and other people connected with running tourist-related businesses were personally interviewed for insights into how the spending characteristics of the various tourists differed across the State by activity, region, and form of lodging. Data sources from other states on expenditures were also used in developing the data. A tourism impact model was developed. The model does not take into account the total amount of spending, but rather indicates the

ACTIVITIES

A. Conventions

B. Outdoor Recreation

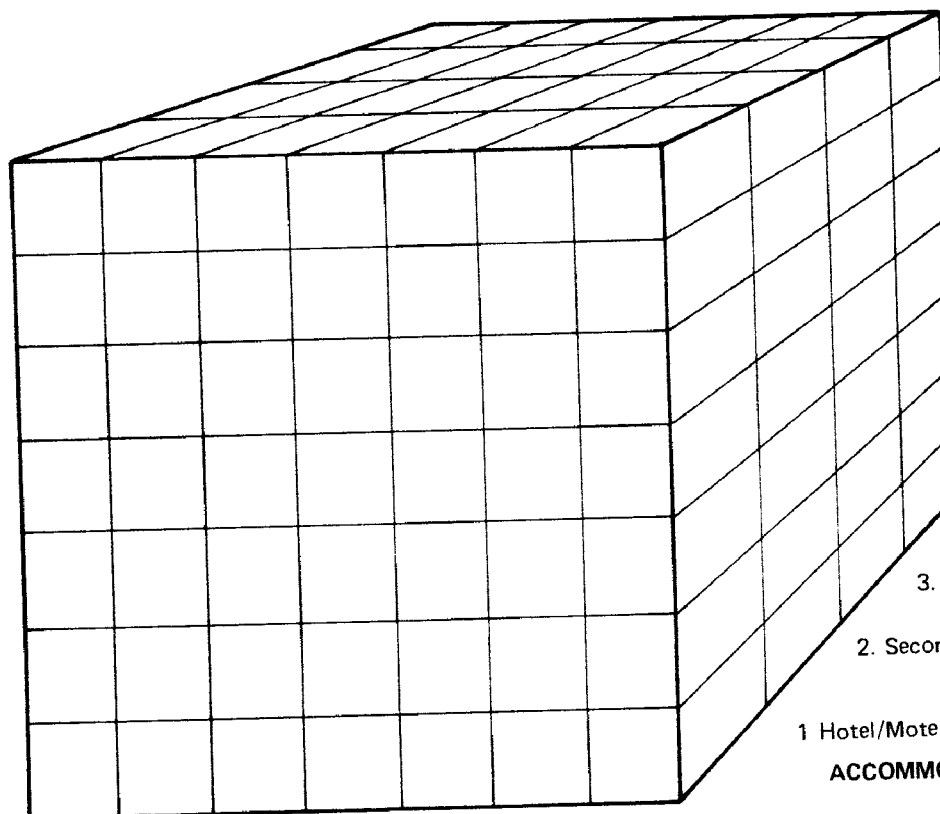
C. Beaching

D. Boating

E. Sightseeing

F. Fishing

G. Hunting



4. Camps

3. Day Trips

2. Second Homes

1 Hotel/Motel

ACCOMMODATIONS

REGIONS

I. Western Appalachia

II. Eastern Appalachia

III. Washington Metropolitan

IV. Baltimore Metropolitan

V. Southern Maryland

VI. Upper Eastern Shore

VII. Lower Eastern Shore

FIGURE 2 ANALYTICAL MATRIX FOR TOURISM

relative impacts of spending a given amount. To do this, basically, it translates expenditures on each of the sixteen items (e.g., hotel, restaurants, gasoline purchases, etc.), within a given region, into total direct and indirect effects. Four measurements are used to indicate these effects: sales, employment, personal income, and tax revenues. These four measurements are then applied both for the region in which the money was spent and for the State as a whole. Added to these results are the secondary effects created by the increased economic activity due to increased employment. In short, the model develops for each of seven regions a set of sixteen multipliers for four types of impact measurements, in the region as well as in the other regions and the State as a whole. Thus, there are 3584 multipliers ($7 \times 16 \times 4 \times 8$) developed. The model is based on interindustry (input-output) tables developed for Maryland and considers regional and State leakages. Thus, the results also indicate how spending by tourists in one region stimulate the economies of each of the other six regions in the State.

Applying the results of the model to the expenditure data developed in the tourist profiles, it was possible to identify the total economic impact of each of the sixty tourist types.

3. Resources

In order to acquire an appreciation of the tourism resources and their potential in the State, the Arthur D. Little, Inc. team canvassed each region, visiting most of the State's important tourist attractions and meeting with many of the most knowledgeable people associated with the major activities in the regions and Statewide. Approximately 75 personal interviews were conducted in both the private and public sectors. The assessment of the State's tourism resources and facilities was based largely on these field trips. The information and insights gained in this reconnaissance effort forms a basic part of the analysis of both the beneficial impact and the costs of tourism.

4. Recommendations

From the analysis and our discussions with people in Maryland representing a wide range of views regarding tourism, we developed a set of recommendations for State action.

E. ORGANIZATION OF THIS REPORT

In this chapter, we have described some key concepts that provide a framework for the rest of the study. Chapter II looks at the impacts of tourism, from the point of view of: (1) finding those tourist activity-region-accommodation combinations which produce the most economic benefits for the State; and (2) indicating the costs of tourism to the State. Chapter II also looks at tourism impacts by activity and by region.

Chapter III examines Maryland's present commitment to tourism in terms of current budget appropriations and activities. Then it considers the implications of Chapter II's impact analysis in terms of appropriate State action. Finally, the Chapter considers some of the ramifications of an explicit State role in economic-oriented tourism development.

Chapter IV presents our strategy recommendations. First, we argue the case for State commitment to tourism development. Second, we outline a three-part strategy aimed at:

- (1) increasing the effectiveness of Maryland's Tourism Division;
- (2) developing selective projects for economic payoff; and
- (3) providing socially desirable projects which primarily bene-

fit local residents and secondarily act as tourist attractions. Third, we suggest how this strategy can be funded. Fourth, we indicate appropriate means for monitoring the effects of this strategy. Finally, we suggest a form of functional organization that is appropriate to the strategy.

Underlying the findings and recommendations contained in this report is a considerable body of data and analysis. This material has been included in a series of appendices, separately bound. The appendices include the following:

- Appendix A contains the sixty tourist profiles upon which our expenditure data is based. Each profile describes the type and location of spending, indicates the probable range of accuracy of the data, and gives a qualitative description for each tourist type;
- Appendix B, based on interviews in each region, assesses the regions' existing tourism facilities and attractions, its potentials, and likely development problems;

- Appendix C briefly describes the ADL Maryland Tourism Economic Impact Model and its results;
- Appendix D is a technical description of the model;
- Appendix E compares Maryland's tourism-development efforts with those of other states; and
- Appendix F gives a taxonomy of the tourism industry and a listing of Maryland's public and private tourism-development resources.

II. ASSESSMENT OF TOURISM IN MARYLAND

When viewed in aggregate terms, tourists bring a lot of money to Maryland - between \$176 million and \$300 million in direct expenditures in 1967, growing at an annual rate of about 11%. Whereas the costs to the State are more difficult to measure, it is estimated that direct State and local expenditures on tourism related services were between \$8 million and \$9 million in 1967.

Aggregate measures, however, do not give the complete picture, for the impact varies widely by tourist activity, region and form of lodging. In this study, we have measured the economic impact of the major tourist types in Maryland. Furthermore, we have gone beyond measuring the direct effects of tourist expenditures to include direct and secondary effects as well. And we have included not only sales, but also employment, income and tax revenues.

The results are very significant. They show that some tourists create as much as \$2 of sales, statewide, for every \$1 they spend. They also show that the impact varies by as much as a factor of 14 between the most economically beneficial and the least beneficial. These types of distinctions can only be seen if the tourist market is disaggregated.

In the present chapter, Section A discusses briefly the aggregate benefits of tourism in Maryland as measured in a recent study. We then take a look at the costs of tourism in aggregate to the State. Section B is devoted to summarizing the results of our disaggregated approach. First, we introduce the concept of the tourist profiles. Then, we review the expenditure data compiled for each profile. Next, the results of the impact model are summarized. The final two sections look at the result of the impact model as they relate to the various activities and regions, respectively. These final two sections also give brief evaluations of the activities and regions.

A. OVERALL IMPACT

1. Benefits

a. Benefits to the State

A study completed at the end of 1971 for the State of Maryland by William Fothergill estimated that 5,333,000 people traveled and lodged as tourists in Maryland in 1967. Of this total, about 80% had Maryland as their major destination; the rest were traveling through the State to another destination. A total of 23.5 million tourist-nights were spent in Maryland in 1967 and total tourism expenditures were estimated at about \$175 million. The Fothergill study points out, however, that these figures are doubtlessly conservative estimates and that total travel expenditures could well have been around \$300,000,000. The estimates were based on the U.S. Bureau of Census 1967 National Travel Survey and the 1969 Virginia Travel Survey. The Fothergill study points out the weaknesses of using these sources for determining Maryland's direct tourist receipts, and suggest means of improving the accuracy of these estimates in the future. One of the study's major conclusions, however, is that an industry representing at least \$175 million in annual sales is quite significant to Maryland's economy, roughly equivalent in size to Maryland's automobile repair, service and garage business; to its retail sales of building material, hardware and farm equipment; or to its wholesale trade in plumbing and heating.

The \$175 million travel expenditures in Maryland in 1967, as estimated from Census data and the Virginia Travel Survey, were allocated as follows:

Lodging	- \$50 million
Food and Beverage	- 63 million
Gas and Oil	- 31 million
Other	- 31 million

The lodging, food and beverage, and gas and oil sales to tourists in 1967 were estimated to have created 13,000 jobs; seasonal deviations in employment do not appear to be significant. State tax receipts attributable to travel were estimated at \$13 million in 1970 (no estimates were available for 1967).

The Fothergill study points out, however, that in order to measure the full impact of tourist expenditures, the indirect and secondary effects must also be measured. Furthermore, to assess the impact of travel on the State's economy, one must include at least an approximation of the extent to which the State's resources are allocated in support of this activity: that is, what are the costs related to tourism? In the present study, we have gone as far as possible, given the existing data, in determining the indirect and secondary benefits derived from tourist expenditures. The results of that analysis are discussed in Section B below.

b. Benefits to Local Areas

The maximum benefits that a tourist industry can have on its community occur if it tends to hire its employees from among the local population. If the labor force consists mostly of transients, it is likely that a large percentage of the earnings from employment will be transferred out of the region. As such, the benefits to local employment will be very slight.

A second consideration of the impacts of employment can be determined by looking at the types of careers that tourism offers. Most of the jobs are of low skill and equally low pay. Tourism employees generally tend to be among the lowest paid of all employees in the nation. Opportunities for advancement within the industry are limited; there are few high-level positions or training programs within the industry. In addition, it appears that a number of the fringe benefits which many employees take for granted are unavailable to employees of tourism.

Obviously the question of low wages and benefits is of issue only in a situation where there is an alternative to tourism. In many of the lagging regions of the state, where such options do not exist, tourism may be of great value.

2. Costs

Cost estimates are less meaningful than the benefits when made on a statewide basis. Costs are most project-specific, whereas benefits are tourist-specific. That is, expenditures undertaken on behalf of additional visitors are a function of the present levels of service quantity

and quality. Whereas the marginal benefits per tourist do not differ much from average benefits, marginal costs per tourist can vary considerably from average costs. Since marginal costs would have to be determined on a project-by-project basis, a study on a statewide basis which estimates total or average costs cannot do more than give an indication of the magnitude of costs. Nevertheless, it is important to keep in mind that there are costs to the state in supporting tourist activities, to identify them, and to approximate as far as possible, their magnitude.

The types of costs associated with tourism may be generally broken into three categories:

- The direct public costs of services consumed by tourists;
- The indirect costs of tourism attributed to employees and business of the tourism industry; and
- The social costs which tourism levies upon an area in which tourism development occurs.

a. Direct Public Costs

These costs refer to services which visitors consume but may not pay for directly. Generally, these services are provided by the public sector. They include primarily (1) promotion, (2) police and safety, (3) park and recreation, (4) highways, and (5) sewerage, sanitation and utilities.

Promotion: In 1970, the State budget for the Tourism Division was \$440,000, of which 70% was for actual advertising and promotion and the rest for salaries connected with promotion.¹ As indicated in Chapter III, Maryland's promotion effort, when compared with that of other states with similar tourism potential, is on the low side.

The cost effectiveness of these expenditures is a question of much debate and one which certainly deserves further investigation. It

¹It is estimated that at least 35 other state and local public organizations have budgets explicitly designated for promotion and advertising tourist-related activities. Often the budgets set aside by these groups for this function understate the real cost in terms of the human resources allocated because of the volunteers who contribute their time without charge.

appears to be mostly likely that there is a certain level of tourism which would exist regardless of the level of promotional expenditures due to such factors as: (1) tourists driving through Maryland to destinations in other states; (2) word-of-mouth advertising by people who had previously been to attractions in the State and recommend them to their friends, (3) return visits from people who have previously visited Maryland attractions and enjoyed their stay enough to return; and (4) a significant number of people visiting friends or relatives and visiting many of the tourist-oriented facilities in the State.

Methods for determining the exact effects of promotion are not available but short-term estimates could be obtained either by increasing or decreasing promotional expenditures for one attraction and then noting the change in tourist traffic, assuming other conditions are stable.

Police and Safety Services: Of all of the services offered by State and local governments, it is likely that protection of life and possessions, most notably police services, are the ones most heavily used by visitors. These services are consumed in several different forms, such as thorough highway patrolling, crime investigation, and patrolling of accommodations and attractions.

Tourists generally use highways more heavily than do residents and, therefore, are likely to consume a greater amount of police patrol services. The magnitude of the difference will be somewhat offset by the tendency for visitors to have a greater number of passengers in their vehicles than do residents and because the types of highways which tourists most frequently use may tend to require less patrolling.

Areas of high tourist concentration are often accompanied by high crime rates because of the susceptibility of tourists to many kinds of petty thieving, con artists, and other similar illegal activities. A police captain in Daytona Beach, Florida, one of the State's major tourist centers, estimated that tourists were the target of almost half the robberies which took place in the community.

Because of the susceptibility of tourists to crime, both attractions and accommodations are usually heavily patrolled by police. In addition, some attractions require lifeguards, ski patrols, etc. These areas also require the availability of fire departments and medical services.

The provision of these services may impose a heavy cost upon local governments. In Daytona Beach, the police force was more than fifty percent larger than the national average. While some of the added size may be attributable to local conditions or above-average service levels, it seems clear that the existence of a large tourist area has had a definite effect upon the size of the police force.

Parks and Recreation: If a park is developed and operated primarily as an attractor for the tourist industry, then a portion of the costs associated with the development and operation of such a park can be viewed as costs of tourism. However, if the major reasons for the development of a park site are to enhance its natural beauty or preserve its historical heritage, the costs of such development can be assessed against tourism only as tourism considerations add to the costs required to develop the site. Most of the State park system was developed primarily for the latter reasons, so it is most likely that the use of these parks by tourists adds little to their marginal costs. In addition, many of the parks do have an admission fee plus an extra fee for camping; these fees cover a sizable share of the operating expense generated by tourism.

Highways: Tourists are major consumers of highways. They spend much more time on roads than does the average resident. In Maryland, at the present time, the vast bulk of tourist travel seems to be confined to the following routes: I-95, I-70, I-695, I-495, US-301, US-40, US-219, US-213, US-50, US-140, Maryland-5, Maryland-34, Maryland-235, Maryland-404, and Maryland-528. Most of these routes are part of the bridge between the Northeastern and Southeastern regions of the United States. The list refers only to the primary and secondary system in the State, so it may exclude some city and county routes that tourists use heavily.

Allocating some portion of highway costs to tourists is very difficult particularly when very few of the thoroughfares are intended primarily for tourists. In most cases in Maryland, existing highways have been built with little regard for existing or potential tourist traffic. There are some exceptions such as the expansion of the Bay Bridge and the planned expansion of Route 50 on the Eastern Shore. While visitors generally use the best maintained and constructed highways, it is not clear whether they

use these routes because the highways are well maintained or whether the level of maintenance on the highways is higher because of increased tourist traffic. Even though a tourist during his stay in Maryland generally uses the public highways more than the Maryland resident does, the tourist should not necessarily be assigned a greater share of the cost of the highway - unless the main purpose of the road is tourism. Ordinarily, the highway would be there anyway, and the resident of Maryland should pay for the right of using it and for the indirect benefits he derives from activities such as interstate commerce which depend on that highway.

Sewerage, Sanitation, and Utilities: The costs for these public services are seldom recovered from the tourist by the local communities. Places of lodging usually pay for these services and recover the costs in their charges to the guest. However, the tourist also uses a great many public facilities such as rest rooms, street lights, water treatment plants, etc. He shares these benefits with the local population, but he is often not assessed for them, even indirectly.

Yet another cost related to the availability of these public facilities arises when the existing capacity is strained by increased tourist activities and must be expanded. Eventually, the costs of capacity expansion may be recovered, but often the local community is burdened with extra, unrecoverable costs arising from inefficient operations, higher taxes and inconvenience. It should be noted, however, as is the case with many of the costs mentioned here, the reverse argument could also be true. A community may receive benefits of increased scale, due to substantial tourist activity, which result in better utilities, sewerage, highways, or police protection than they would otherwise have. Each situation must be studied separately.

Before discussing indirect and social costs related to tourism development, it would be of some value to at least approximate in very rough terms what the direct costs of services consumed by tourists were in 1967 - the year for which the Fothergill study estimated the gross benefits from tourism in Maryland. Keeping in mind the limitations cited at the end of Section 2 above, of estimating statewide costs, particularly when computed as average costs rather than marginal costs, the results of

this exercise should only be considered as an indication of the magnitude of the direct costs of tourism.

In order to approximate the magnitude of the direct costs of services consumed by tourists in Maryland, we have listed the actual State and local direct general expenditures for these services incurred in total in Maryland during one year. Assuming that these services were equally available for use to both the residents of the State and the tourists, the total net expenditures (i.e., expenditures less direct receipts) can be analyzed in terms of costs per tourist day.

Table II lists the direct general expenditures for services which tourists most typically use but do not pay for. The figures are for 1967, which is the year for which a census of tourist days (or nights) in Maryland is available. The table indicates that for the eleven service categories, State and local expenditures (less receipts paid directly for these services) were \$466,597,000.

In 1967 the estimated tourist volume, including people spending nights in Maryland on their trip to another destination, was 23.5 million tourist nights. The population of Maryland in that year was 3,682,000, which equalled 1,343 million resident days. Thus, assuming that the benefits of having the services listed in Table II available were shared equally by all, the per capita average daily cost for these services was approximately \$0.34. Adding to this figure another \$0.016 per tourist night, the approximate value of the State Tourism Division's budget divided by total tourist nights yields an average daily cost per tourist of around \$0.36 out of State and local funds, or \$8.4 million for all tourists. This would indicate that, in terms of public sector cash flows, the direct costs of tourists are recovered by the tax revenues the State collects from direct tourist expenditures (which the Fothergill study estimated to be around \$13 million in 1970 and, assuming an 11% annual growth rate, would have been around \$10 million in 1967).

b. Indirect Public Costs

These costs are induced or incurred indirectly, primarily as a result of additional labor requirements. In general, the costs are

TABLE II
STATE AND LOCAL DIRECT GENERAL EXPENDITURES IN
MARYLAND--A PART OF WHICH IS FOR TOURISTS - 1967
(\$000)

		<u>STATE</u>	<u>LOCAL</u>	<u>TOTAL</u>
Police Protection		8,767	57,997	66,764
Fire Protection			30,333	30,333
Health		20,593	14,674	35,267
Sewerage (expenditure)		47,056		
(receipts)		<u>14,842</u>		
(net)			32,214	32,214
Other Sanitation (expenditure)		20,007		
(receipts)		<u>1,354</u>		
(net)			18,653	18,653
Local Parks and Recreation				
(expenditure)		34,463		
(receipts)		<u>3,223</u>		
(net)			31,240	31,240
Natural Resources				
(expenditure)	21,543	4,376		
(receipts)	<u>2,460</u>	<u>54</u>		
(net)		19,083	4,322	23,405
Highways		133,615	73,974	207,589
Airports (expenditure)		3,834		
(receipts)		<u>2,526</u>		
(net)			1,308	1,308
Water Transport Terminals				
(expenditure)	6,129	148		
(receipts)	<u>2,890</u>	<u>241</u>		
(net)		3,239	(93)	3,146
Utilities (expenditure)		55,006		
(receipts)		<u>38,328</u>		
(net)			16,678	16,678
TOTAL		<u>185,297</u>	<u>281,300</u>	<u>466,597</u>

Source: 1967 Census of Governments, Compendium of Government Finances,
Volume 4, U.S. Department of Commerce, Bureau of the Census.

associated with the provision of public services to the employees of the tourism industry.

To determine the effects that tourism-generated employment has on the community, there are several areas which must be looked at. The first is the question of who is hired by the tourism industry and the effects that result from hiring from different groups. There are three basic groups from which we can expect most employees to come. First are the local residents from the community who are out of school and are among the principal wage earners in their households. Second are local residents who may not necessarily be out of school and who are not principal wage earners in the family. The final category is transients who work in a tourism area for a time, and then move on. Usually this last group is found in areas which have seasonal tourism.

The question of the costs of municipal services associated with tourism employment is of concern only when increased tourism causes the immigration of people who will be tourism employees. Increased public services will have to be provided for these people. As pointed out by Werner Hirsch in his study of St. Louis, there are several industries which do not pay their share of municipal costs. Generally, those industries which are most capital intensive and which have the highest wage rates are the most profitable industries to attract to an area. Again, however, generalities can be misleading and, in order to determine the real costs, the analysis must be related to a specific project in a specific location so that "opportunity" costs can be considered.

c. Social Costs

The final set of costs which will be considered are social costs. These are unquantifiable but do exist and must be considered in any project analysis. One of the more frequently noted social costs is that of congestion. As noted, tourists add to congestion on highways at attractors and in many other places. The costs of congestion are paid by both residents and tourists alike, but when tourism development is contemplated, special attention must be given to the increased costs of congestion that will be felt by those current residents.

A factor which relates closely to the above is that some areas have become so highly tourist-oriented that use of local attractors by residents has declined drastically. Probably the most vivid example of this type of situation is Ocean City, where tourism developments own almost all of the beach front property and in some places, public access to the beach has been severely restricted.

Another cost of intensive tourism development is that of a rise in prices of most commercial items. Generally, the costs of living in a center are much higher than similar costs in other areas. It is easy to see that if most of the capital investment in the local tourism sector comes from non-local sources, and if most of tourist labor force is made up of temporarily-resident transients, then the costs of tourism development to residents may well be quite high.

B. IMPACT PROFILES

1. Introduction to Tourist Profiles

In order to distinguish among the varying levels of economic impact created, by different types of tourists in different regions, we have segmented the tourists in terms of their discrete activities and the State into discrete regions and developed impact profiles on each. Sixty "tourist profiles" have been developed for this purpose. These profiles are presented in Appendix A and include a detailed estimate of the average daily expenditures of a representative tourist as well as estimates of the economic impact of these expenditures. The economic impact, which includes consideration of direct, indirect and induced effects, was derived by applying the model, described in Appendices C and D, to the expenditure data. The sixty profiles provide a selective cross-section of Maryland tourists in seven regions participating in seven different recreational activities and staying in four different kinds of overnight accommodations. The purpose of the breakdown is to look for variations in spending patterns and impact by region, activity, or accommodation and to provide base data for development of a strategy to increase the total economic impact of tourism.

Table III is a grid laid out to include these three major dimensions of tourism through the State: Activities - A. Conventions, B. Outdoor

TABLE III SIGNIFICANT TOURISM IMPACT COMBINATIONS

ACTIVITIES/ ACCOMMODATIONS	REGIONS						
	I	II	III	IV	V	VI	VII
A. CONVENTIONS							
1. Hotel/Motel			●	●			●
2. Second Home							
3. Day Trips			x	x			x
4. Campsite			x	x			x
B. OUTDOOR REC.							
1. Hotel/Motel	x	x	x	x	x	x	x
2. Second Home	o	x			x	x	x
3. Day Trips	o	o	x	x	o	x	x
4. Campsite	o	o	x	x	o	x	x
C. BEACHING							
1. Hotel/Motel	x				x	x	o
2. Second Home	o				x	x	o
3. Day Trips	o				o	o	o
4. Campsite	o				o	o	o
D. BOATING							
1. Hotel/Motel	x				x	x	o
2. Second Home	o				x	o	o
3. Day Trips	o			x	o	o	o
4. Campsite	o				o	x	●
E. SIGHTSEEING							
1. Hotel/Motel	x	o	o	o	x	x	x
2. Second Home							
3. Day Trips	x	o	x	o	o	x	x
4. Campsite	x	x	x	x	x	x	x
F. FISHING							
1. Hotel/Motel	x	x		x	x	x	o
2. Second Home	o				x	x	o
3. Day Trips	x	x		o	o	o	o
4. Campsite	o	o		o	o	o	o
G. HUNTING							
1. Hotel/Motel	x	x			x	o	x
2. Second Home	o				x	o	x
3. Day Trips	x	x			x	o	x
4. Campsite	o	o			o	o	o

blank = no significant activity

x = activity although not of major importance

o = significant activity - one of 60 tourist profiles

Recreation, etc., Regions I, II, etc.; and Accommodations - 1. Hotel/Motels, 2. Second Homes, etc., as defined in Figure 2.

Not every activity is relevant in every region. Activities are designed to cover the main recreational purpose of a tourist's trip. The regions are defined by topography and consistency of tourist attractions. Accommodations cover major types, including for classification purposes "no accommodation" for day trips. Sections in the grid that are blank reflect an absence of significant activity (e.g., Conventions in Region I, Western Appalachia). An "x" on the grid denotes some activity in a given region, but in most cases, it would not be of major importance (e.g., Outdoor Recreation in Region III, Metropolitan Washington). An "o" denotes activities that are economically significant in specific regions. Tourists participating in these activities have been selected for profile analysis; i.e., we have developed estimates of their average daily expenditures while in the region (e.g., Conventions in Hotels in Region IV, Baltimore).

2. Expenditures

The estimates of major daily expenditures per tourist include lodging, food, gas and repairs, and a range of other items covering retail purchases, charges for amusement and recreation, etc. The methodology employed to develop our estimates was based on over 100 interviews with members of the tourist-serving industry throughout Maryland supplemented by analysis of relevant secondary data. The estimates shown represent our judgment as influenced by these informed sources. The expenditure data are summarized in Table IV.

Some of the more important observations on the expenditure patterns of the tourists in Maryland are the following:

- On the average, the highest daily expenditures are the adults traveling without children - conventioners, sight-seers in motels, etc. Families together tend to use second houses or campgrounds as accommodations; estimated daily expenditures per person reflect pro rata distribution of many common items such as rent and gasoline over all members of the family.

TABLE IV (Cont'd)

2. EXPENDITURES BY SECOND HOME TOURISTS

OUTDOOR RECREA.	BEACHING	BOATING	FISHING	HUNTING
I.W.App.	I.W.App.	I.W.App.	I.W.App.	I.W.App.
	VII.LoES	VI.UpES.	VII.LoES	VI.UpES.
\$ 5.00	\$ 5.00	\$ 5.00	\$ 7.00	\$ 5.00
2.00	2.00	2.00	2.50	2.50
1.00	1.00	1.00	1.50	1.50
.50	.50	.50	.50	.50
.50	.50	1.00	.50	.50
1.00	1.00	1.00	2.00	4.00
1.00	1.00	1.50	1.00	2.00
=====	=====	=====	=====	=====
\$11.00	\$11.00	\$12.00	\$11.00	\$13.00
	\$15.00	\$17.00	\$18.00	\$18.00

HOME RENTAL

FOOD STORE
EATING & DRINKING
LIQUOR STORE

GAS & REPAIR

MISC. RETAIL
AMUSE. & RECREA.TOTAL AVERAGE
DAILY
EXPENDITURE

3. EXPENDITURES BY DAY TRIP TOURISTS

TABLE IV (Cont'd)

OUTDOOR RECREA.	BEACHING	BOATING	SIGHTSEE.	FISHING	HUNTING
I.W.App. II.E.App. V.So.Md. VI.UpES.	I.W.App. V.So.Md. VI.UpES.	I.W.App. V.So.Md. VI.UpES.	II.E.App. IV.Balto. V.So.Md.	IV.Balto. V.So.Md. III.UpES	VI.UpES.
\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 2.00
1.00	1.00	2.00	1.00	1.00	1.00
.50	.50	.50	.50	.50	1.00
1.00	2.00	1.00	1.00	1.00	2.00
=====	=====	=====	=====	=====	=====
\$ 4.00	\$ 4.00	\$ 5.00	\$ 4.00	\$ 4.00	\$ 6.00

EATING & DRINKING

GAS & REPAIR

MISC. RETAIL
AMUSE. & RECREA.

TOTAL AVERAGE
DAILY
EXPENDITURE

TABLE IV (Cont'd)

4. EXPENDITURES BY CAMPING TOURISTS

OUTDOOR RECREA.	BEACHING	BOATING	FISHING	HUNTING
I.W.App. II.E.App. V.So.Md.	I.W.App. V.So.Md. VI.UpES.	I.W.App. V.So.Md.	I.W.App. II.E.App. IV.Balto. V.So.Md. VI.UpES.	I.W.App. II.E.App. V.So.Md. VI.UpES. VII.LoES.
\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
.50	.50	.50	.50	.50
.50	.50	1.00	.50	.50
.50	.50	.50	.50	1.00
.50	.50	1.00	1.00	2.00
\$ 5.00	\$ 5.00	\$ 6.00	\$ 5.00	\$ 7.00

CAMPSITE

FOOD STORE
EATING & DRINKING
LIQUOR STORE

GAS & REPAIR

MISC. RETAIL
AMUSE. & RECREA.TOTAL AVERAGE
DAILY
EXPENDITURE

- Of all tourists, conventioners are the highest spenders. The estimated range is \$36 - \$50 per day. In Maryland, conventioners in Baltimore are most important since they stay in high-cost downtown hotels and avail themselves of opportunities for shopping and entertainment that are only available in a major city. Conventioners in metropolitan Washington and Ocean City are also important. However, motels in the Maryland part of Washington are not downtown, so rates are somewhat lower and expenditures for shopping or amusement are less. Any spending in Washington, D.C. would not be recorded. At Ocean City, most conventions at the present time are in the summer season, though the goal of the Convention Center is to stimulate business in the off-season when hotel rates are substantially reduced.
- All activities in all regions in which the tourist stays in a hotel/motel are significant economically. The estimated range is \$15 to \$50 per day.
- Sightseers staying in a hotel/motel spend from \$15 to \$21 per day, the highest spending being in Baltimore. Sightseers in the metropolitan Washington region do some spending in the District of Columbia, particularly for eating and drinking and tours, whereas in Baltimore all expenditures are in Maryland.
- Seasonal tourists, i.e., beaching, boating, fishing, etc., staying in motels must by necessity be high spenders since prices are high in resort areas during their seasons. The estimated range is \$26 to \$35 per day. The highest profile is for fishing on the Lower Eastern Shore, in which case it is assumed that the tourists' primary interest is in deep sea sport fishing for marlin. This is an expensive recreation that is generally limited to affluent tourists who would also stay in top motels and eat in top restaurants.

- Second homes are an important part of the tourist plant on the Lower and Upper Eastern Shore and in Western Appalachia. Families and groups staying in their own or rented homes are second only to tourists in hotels or motels in terms of daily spending. The estimates range from \$11 to \$18 per day. At the low end of the range are second home users in Western Appalachia, where prices are relatively modest in comparison with the Lower Eastern Shore.
- Camping, perhaps the fastest growing segment of the tourist industry, is becoming increasingly important economically as daily expenditures of campers continue to increase to pay for additional services required by expensive recreation vehicles. The estimated range of daily expenditures by campers is \$5 - \$7. Highest are hunters, who buy shells and other related items, and who are usually in groups of adults exclusively rather than families. Camping on the Lower Eastern Shore is relatively more expensive than in other regions because of the higher prices charged there during the summer season. Boaters in general spend somewhat more than other campers to cover fuel for their boats and other related costs.
- Day trips are relatively difficult to estimate due to the wide variety of purposes that might motivate the trip. A sightseeing couple that purchases valuable antiques in New Market cannot be adequately provided for in average estimates, nor can the family on a Sunday drive that spends nothing in the region it visits. The estimated range of expenditures for day trippers is \$4 - \$6. On the average, this total includes \$1.50 for eating and drinking on the trip, \$1.00 per person for gas, and \$1.50 for miscellaneous retail purchases and amusement and recreation. In addition, hunters and boaters would make special expenditures related to their activities to bring their estimated totals up.

In future years, standardized unit-costs provided by the travel industry and available through the DATO* Data Center will simplify evaluation of various tourist expenditure patterns. Even if these estimates are not completely accurate or thoroughly documented, they will be standard and can be used to make judgments about spending in Maryland in comparison with other states. When standardized unit-cost data are available, they may be introduced into the impact model to update and expand the data base for strategy planning. In the meantime, the 60 profiles will serve to describe the many facets of tourism in Maryland.

3. Economic Impact

As mentioned earlier, the impact of each tourist type (defined by activity, region, and accommodation) is based on what his average daily expenditures create in terms of:

- Sales within the region;
- Jobs within the region;
- Income within the region;
- Tax revenues within the region;
- Sales within the entire State;
- Jobs within the entire State;
- Income within the entire State; and
- Tax revenues within the entire State.

Table V summarizes these impact indicators per 1,000 tourist days and rank-orders the sixty tourist types for each indicator. However, the rank order does not touch upon the actual numbers of tourists in any given category, or the seasonality of their visits. For example, hunters staying in Upper Eastern Shore hotels would have the fifth greatest impact per thousand on sales, but the season is short and the resource limited.

In the next two sections, we shall discuss the results of the impact analysis as it pertains to the various activities and regions. At this

*Discover America Travel Organization

TABLE V RANK ORDER OF TOURIST IMPACT PER 1000 TOURIST DAYS

Rank Order	REGIONAL				STATEWIDE			
	Sales (72\$)	Income (72\$)	Jobs (Man-Years)	Tax Revenue (72\$)	Sales (72\$)	Income (72\$)	Jobs (Man-Years)	Tax Revenue (72\$)
(1)	A-IV-1 \$81,584.41	A-IV-1 \$18,996.10	A-IV-1 4.74	A-IV-1 \$4,125.55	A-IV-1 \$100,527.19	A-IV-1 \$26,147.54	A-IV-1 6.15	A-IV-1 \$4,816.98
(2)	A-III-1 50,478.44	A-VII-1 12,969.77	A-VII-1 3.81	A-III-1 3,080.74	A-III-1 72,848.84	F-VII-1 19,260.88	A-VII-1 4.75	A-III-1 3,740.64
(3)	A-VII-1 44,676.75	F-VII-1 12,699.88	F-VII-1 3.70	A-VII-1 2,980.52	F-VII-1 72,504.04	A-VII-1 19,221.01	F-VII-1 4.71	A-VII-1 3,660.76
(4)	F-VII-1 43,533.96	A-III-1 11,709.67	A-III-1 2.85	F-VII-1 2,627.96	A-VII-1 72,417.62	A-III-1 18,217.27	A-III-1 3.97	F-VII-1 3,349.02
(5)	G-VI-1 35,422.98	G-VI-1 9,701.74	G-VI-1 2.82	G-VI-1 2,241.69	G-VI-1 59,816.82	G-VI-1 15,269.23	G-VI-1 3.67	G-VI-1 2,852.83
(6)	E-IV-1 33,773.62	D-VII-1 9,387.90	D-VII-1 2.72	D-VII-1 2,156.56	D-VII-1 54,675.93	D-VII-1 14,217.87	D-VII-1 3.45	D-VII-1 2,684.10
(7)	D-VII-1 33,307.33	C-VII-1 9,276.44	C-VII-1 2.70	C-VII-1 1,979.19	C-VII-1 53,090.15	C-VII-1 13,992.61	C-VII-1 3.41	C-VII-1 2,494.81
(8)	C-VII-1 32,227.62	E-IV-1 7,605.85	E-IV-1 1.95	E-IV-1 1,937.19	E-IV-1 41,475.59	E-IV-1 10,491.30	E-IV-1 2.53	E-IV-1 2,216.41
(9)	E-III-1 22,128.64	E-III-1 4,502.64	E-III-1 1.10	E-III-1 1,494.83	F-VII-2* 32,596.00	E-III-1 7,239.72	E-III-1 1.58	F-III-1 1,774.67
(10)	F-VII-2 20,384.16	G-VI-2 3,450.87	E-II-1 1.04	E-II-1 1,292.86	G-VI-2 32,463.38	G-VI-2 6,291.70	E-II-1 1.42	E-II-1 1,562.14
(11)	G-VI-2 20,013.53	F-VII-2 3,420.53	G-VI-2 .87	D-VII-2 891.28	E-III-1 31,829.65	F-VII-2 6,186.58	G-VI-2 1.31	G-VI-2 1,192.45
(12)	D-VII-2 19,046.37	E-II-1 3,389.73	F-VII-2 .85	G-VI-2 882.34	D-VII-2 29,551.51	F-II-1 5,848.22	F-VII-2 1.28	F-VII-2 1,176.31
(13)	E-II-1 17,059.46	D-VII-2 2,936.33	D-VII-2 .72	F-VII-2 875.46	E-II-1 28,068.68	D-VII-2 5,300.92	D-VII-2 1.08	D-VII-2 1,144.80
(14)	C-VII-2 16,699.57	C-VII-2 2,441.17	C-VII-2 .60	C-VII-2 728.56	C-VII-2 25,366.03	C-VII-2 4,380.30	C-VII-2 .89	C-VII-2 933.96
(15)	G-I-2 14,179.65	D-VI-2 1,910.25	G-VI-3 .52	D-VI-2 655.66	G-I-2 21,749.65	D-VI-2 3,520.66	D-VI-2 .73	D-VI-2 827.54
(16)	D-VI-2 13,122.97	G-VII-4 1,870.71	G-VII-4 .49	D-I-2 618.76	D-VI-2 20,262.27	G-I-2 3,305.09	G-VI-3 .71	G-I-1 783.75
(17)	D-I-2 13,028.48	G-VI-4 1,811.23	D-VI-2 .49	G-I-2 600.62	D-I-2 19,705.15	G-VII-4 3,188.77	G-I-2 .70	D-I-2 778.44
(18)	B-I-2 11,902.42	G-VI-3 1,805.57	G-VI-4 .48	D-VII-3 588.12	B-I-2 17,729.82	G-VI-4 3,129.94	G-VII-4 .70	D-VII-3 717.93
(19)	C-I-2 11,902.42	D-VII-4 1,724.72	D-VII-3 .47	D-VI-3 539.38	C-I-2 17,729.82	G-V-4 3,122.89	G-VI-4 .68	B-I-2 647.32
(20)	F-I-2 11,902.42	D-VII-3 1,678.31	D-VII-4 .45	D-V-3 527.03	F-I-2 17,729.82	G-VI-3 3,004.40	G-V-4 .67	C-I-2 647.32
(21)	G-VII-4 8,285.91	G-V-4 1,644.96	C-VII-3 .45	D-I-3 511.89	G-VII-4 14,040.12	D-I-2 2,890.39	D-VII-3 .65	F-I-1 647.32
(22)	D-VII-4 8,181.09	G-I-2 1,588.80	F-VII-3 .45	B-I-2 509.95	G-V-4 13,912.08	D-VII-4 2,879.67	D-VII-4 .62	D-VI-3 631.82

Key:	ACTIVITY	REGION	ACCOMMODATION
A	Conventions	I Western Appalachia	1 Hotel/Motel
B	Outdoor Recreation	II Eastern Appalachia	2 Second Homes
C	Beaching	III Washington Metropolitan	3 Day Trips
D	Boating	IV Baltimore Metropolitan	4 Campsites
E	Sightseeing	V Southern Maryland	
F	Fishing	VI Upper Eastern Shore	
G	Hunting	VII Lower Eastern Shore	

TABLE V RANK ORDER OF TOURIST IMPACT PER 1000 TOURIST DAYS (Cont'd)

Rank Order	REGIONAL				STATEWIDE			
	Sales (72\$)	Income (72\$)	Jobs (Man-Years)	Tax Revenue (72\$)	Sales (72\$)	Income (72\$)	Jobs (Man-Years)	Tax Revenue (72\$)
(23)	G-VI-4 \$ 8,036.52	C-VII-3 \$ 1,566.85	G-I-2 .44	C-I-2 \$ 509.95	G-VI-4 \$ 13,768.62	D-VII-3 \$ 2,840.46	D-I-2 .61	D-V-3 \$ 629.47
(24)	G-I-4 7,980.82	F-VII-3 1,566.85	G-V-4 .43	F-I-2 509.95	G-II-4 13,515.56	G-II-4 2,684.50	C-VII-3 .61	G-VI-3 607.07
(25)	G-V-4 7,919.31	C-VII-4 1,489.01	G-I-4 .39	G-VI-3 472.93	G-I-4 13,302.76	C-VII-3 2,615.20	F-VII-3 .61	D-I-3 597.44
(26)	G-II-4 7,893.05	F-VII-4 1,489.01	C-VII-4 .39	D-VII-4 466.15	D-VII-4 13,265.66	F-VII-3 2,615.20	G-I-4 .59	D-VII-4 572.36
(27)	F-IV-4 7,708.20	F-IV-4 1,472.23	F-VII-4 .39	C-VII-3 410.76	G-VI-3 12,210.23	G-I-4 2,585.11	G-II-4 .58	G-V-4 537.03
(28)	D-VII-3 7,150.53	E-IV-3 1,436.02	D-I-2 .39	F-VII-3 410.76	D-VII-3 12,205.21	B-I-2 2,524.29	D-V-4 .54	G-VII-4 532.43
(29)	G-VI-3 7,019.56	F-IV-3 1,436.02	G-II-4 .38	E-IV-3 399.96	D-V-4 11,373.12	C-I-2 2,524.29	C-VII-4 .53	G-VI-4 532.42
(30)	C-VII-4 7,015.36	G-II-4 1,409.17	D-VI-3 .38	F-IV-3 399.96	C-VII-4 11,193.64	F-I-2 2,524.29	F-VII-4 .53	C-VII-3 528.64
(31)	F-VII-4 7,015.36	D-I-2 1,382.31	E-IV-3 .36	D-V-4 394.28	F-VII-4 11,193.64	D-V-4 2,470.74	B-I-2 .53	F-VII-3 528.64
(32)	D-I-4 6,770.18	G-I-4 1,356.42	F-IV-3 .36	G-VII-4 385.96	D-I-4 10,843.12	C-VII-4 2,434.27	C-I-2 .53	D-V-4 517.16
(33)	D-V-4 6,730.36	D-V-4 1,326.07	D-V-4 .35	G-VI-4 385.76	C-VII-3 10,619.43	F-VII-4 2,434.27	F-I-2 .53	G-II-4 500.42
(34)	E-IV-3 6,552.18	D-VI-3 1,276.12	C-VI-3 .35	G-V-4 376.32	F-VII-3 10,619.43	D-VI-3 2,133.42	D-VI-3 .51	G-I-4 490.42
(35)	F-IV-3 6,552.18	B-I-2 1,213.89	F-VI-3 .35	D-I-4 374.85	D-VI-3 9,455.34	B-V-4 2,085.31	D-V-3 .49	D-I-4 476.67
(36)	C-VII-3 6,070.83	C-I-2 1,213.89	F-IV-4 .34	C-VI-3 362.03	D-V-3 9,454.08	C-V-4 2,085.31	E-IV-3 .47	E-IV-3 456.68
(37)	F-VII-3 6,070.83	F-I-2 1,213.89	B-I-2 .33	F-VI-3 362.03	F-IV-4 9,396.89	F-V-4 2,085.31	F-IV-3 .47	F-IV-3 456.68
(38)	D-VI-3 5,722.16	C-VI-4 1,211.31	C-I-2 .33	G-II-4 358.16	B-V-4 9,377.22	F-IV-4 2,070.53	C-VI-3 .46	C-VI-3 444.53
(39)	C-VI-4 5,686.13	F-VI-4 1,211.31	F-I-2 .33	G-I-4 354.46	C-V-4 9,377.22	D-V-3 2,040.20	F-VI-3 .46	F-VI-3 444.53
(40)	F-VI-4 5,686.13	C-VI-3 1,168.33	C-VI-4 .33	B-V-3 350.14	F-V-4 9,377.22	E-IV-3 2,009.62	B-V-4 .46	B-V-3 440.01
(41)	B-I-4 5,644.12	F-VI-3 1,168.33	F-VI-4 .33	C-V-3 350.14	C-VI-4 9,186.54	F-IV-3 2,009.62	C-V-4 .46	C-V-3 440.01
(42)	C-I-4 5,644.12	B-V-4 1,154.24	D-V-3 .32	E-V-3 350.14	F-VI-4 9,186.54	C-VI-4 2,008.61	F-V-4 .46	E-V-3 440.01
(43)	F-I-4 5,644.12	C-V-4 1,154.24	B-V-4 .30	F-V-3 350.14	D-I-3 9,034.82	F-VI-4 2,008.61	F-IV-4 .45	F-V-3 440.01
(44)	D-I-3 5,638.82	F-V-4 1,154.24	C-V-4 .30	B-I-3 337.37	B-II-4 8,956.30	D-I-4 2,004.04	C-VI-4 .45	C-VII-3 435.67

Key:	ACTIVITY	REGION	ACCOMMODATION
A	Conventions	I Western Appalachia	1 Hotel/Motel
B	Outdoor Recreation	II Eastern Appalachia	2 Second Homes
C	Beaching	III Washington Metropolitan	3 Day Trips
D	Boating	IV Baltimore Metropolitan	4 Campsites
E	Sightseeing	V Southern Maryland	
F	Fishing	VI Upper Eastern Shore	
G	Hunting	VII Lower Eastern Shore	

TABLE V RANK ORDER OF TOURIST IMPACT PER 1000 TOURIST DAYS (Cont'd)

Rank Order	REGIONAL				STATEWIDE			
	Sales (72\$)	Income (72\$)	Jobs (Man-Years)	Tax Revenue (72\$)	Sales (72\$)	Income (72\$)	Jobs (Man-Years)	Tax Revenue (72\$)
(45)	B-V-4 \$ 5,620.53	D-V-3 \$ 1,088.26	F-V-4 .30	C-I-3 \$ 337.37	F-II-4 \$ 8,956.30	C-VI-3 \$ 1,911.64	F-VI-4 .45	F-VII-4 \$ 435.67
(46)	C-V-4 5,620.53	D-I-4 1,069.35	D-I-4 .30	B-II-3 336.59	B-I-4 8,867.79	F-VI-3 1,911.64	D-I-4 .45	B-II-3 434.14
(47)	F-V-4 5,620.53	B-V-3 989.35	B-V-3 .30	E-II-3 336.59	C-I-4 8,867.79	B-V-3 1,820.07	B-V-3 .44	E-II-3 414.14
(48)	D-V-3 5,601.14	C-V-3 989.35	C-V-3 .30	C-VII-4 333.18	F-I-4 8,867.79	C-V-3 1,820.07	C-V-3 .44	B-I-3 411.85
(49)	B-II-4 5,561.70	E-V-3 989.35	E-V-3 .30	F-VII-4 333.18	E-IV-3 8,134.01	E-V-3 1,820.07	E-V-3 .44	C-I-3 411.85
(50)	F-II-4 5,561.70	F-V-3 989.35	F-V-3 .30	F-IV-4 324.76	F-IV-3 8,134.01	F-V-3 1,820.07	F-V-3 .44	B-V-4 388.28
(51)	C-VI-3 4,656.76	B-I-4 900.93	D-I-3 .28	C-VI-4 287.48	C-VI-3 7,885.61	D-I-3 1,670.60	D-I-3 .40	C-V-4 384.28
(52)	F-VI-3 4,656.76	C-I-4 900.93	B-I-3 .26	F-VI-4 287.48	F-VI-3 7,885.61	B-II-4 1,660.85	B-I-3 .36	F-V-4 384.28
(53)	B-I-3 4,584.78	F-I-4 900.93	C-I-3 .26	B-V-4 285.25	B-V-3 7,877.30	F-II-4 1,660.85	C-I-3 .36	F-IV-4 383.35
(54)	C-I-3 4,584.78	B-II-4 898.68	B-I-4 .25	C-V-4 285.25	C-V-3 7,877.30	B-I-4 1,637.94	B-I-4 .36	C-VI-4 374.18
(55)	B-V-3 4,538.33	F-II-4 898.68	C-I-4 .25	F-V-4 285.25	E-V-3 7,877.30	C-I-4 1,637.94	C-I-4 .36	F-VI-4 374.18
(56)	C-V-3 4,538.33	D-I-3 888.03	F-I-4 .25	B-I-4 266.05	F-V-3 7,877.30	F-I-4 1,637.94	F-I-4 .36	B-II-4 348.43
(57)	E-V-3 4,538.33	B-I-3 819.24	B-II-3 .24	C-I-4 266.05	B-II-3 7,584.71	B-II-3 1,511.98	B-II-4 .36	F-II-4 348.43
(58)	F-V-3 4,538.33	C-I-3 819.24	E-II-3 .24	F-I-4 266.05	E-II-3 7,584.71	E-II-3 1,511.98	F-II-4 .36	B-I-4 345.55
(59)	B-II-3 4,508.06	B-II-3 813.88	B-II-4 .24	B-II-4 265.44	B-I-3 7,509.20	B-I-3 1,495.17	B-II-3 .35	C-I-4 345.55
(60)	E-II-3 4,508.06	E-II-3 813.88	F-II-4 .24	F-II-4 265.44	C-I-3 7,509.20	C-I-3 1,495.17	E-II-3 .35	F-I-4 345.55

Key:	ACTIVITY	REGION	ACCOMMODATION
A	Conventions	I Western Appalachia	1 Hotel/Motel
B	Outdoor Recreation	II Eastern Appalachia	2 Second Homes
C	Beaching	III Washington Metropolitan	3 Day Trips
D	Boating	IV Baltimore Metropolitan	4 Campsites
E	Sightseeing	V Southern Maryland	
F	Fishing	VI Upper Eastern Shore	
G	Hunting	VII Lower Eastern Shore	

point, however, let us briefly point out some of the more significant results, as summarized in Table V.

- The greatest impact, regionally and Statewide, on all four measures (i.e., sales, income, jobs, and tax revenues) is created by the tourist attending a convention (A) in Baltimore (IV) and staying in a hotel or motel (1). In terms of specific impact, 1,000 such tourist days generate \$81,584 of sales (direct, indirect and induced) in Baltimore. This creates 4.7 full time job equivalents, \$18,996 additional income and \$4,125 in State and local taxes. The Statewide impact of these tourists is much greater since some of the economic activity of their expenditures leaks out of the Baltimore area. Statewide, 1,000 conventioners in Baltimore staying in hotels or motels generate \$100,527 in total sales. This creates 6.15 manyears of employment, \$26,147 in income and \$4,816 in State and local tax revenues.
- While it is difficult to classify any one tourist type as average, the median, in terms of sales generated, both regionally and Statewide, is the tourist going to the beach (C) in the Lower Eastern Shore (VII) and staying in a camper (4). Typically, 1,000 such tourists generate in one day sales of \$7,015 in the region and a total Statewide sale of \$11,193.
- The distinction of creating the least impact in terms of sales generated is shared by the last ten tourist types on the list in Table V. The main thing these tourists have in common is the fact that they stay in no accommodations, i.e., they are day-trip tourists, seeking various forms of outdoor recreation or visiting historical sites. The average regional sales generated by 1,000 such tourists in one day is around \$4,530, whereas total Statewide sales, including indirect and induced sales, are around \$7,500.

4. Assessment by Activities

Each activity or tourist attraction is different in terms of (1) economic impact, (2) the problems of development, (3) the state's role in

development and promotion, (4) the potential market, and (5) the costs associated with the activities. Table VI shows the ranking, in terms of impact on sales, by activity, of the various tourist types. This Table is a rearrangement of Table V.

In Table VII we have shown the mean (or average) of the four economic impact measurements, Statewide, for each activity. We have also indicated the standard deviation for each of these measurements as an indication of how the sample varies from the mean - i.e., the extent to which the values for a measure of the various tourist types under an activity deviate from the mean. The values for the tourist types used in computing these statistics were taken from Table V. The following are some of the more interesting observations about the results of Table VII.

- A conventioner produces the greatest economic impact Statewide, by all four measures.
- In terms of sales generated, hunters and sightseers follow. However, their impact, on the average, is only one quarter as great as that of a conventioner.
- Whereas a hunter typically generates slightly more sales than a sightseer, the latter creates more income, jobs, and tax revenues.
- The least economic impact is typically generated by a tourist whose major activity is outdoor recreation (other than those forms of outdoor recreation that are treated separately - i.e., beaching, boating, fishing and hunting).
- Fishing appears to have the greatest standard deviation from the mean in our samples. Fishermen exhibit a wide range of expenditure patterns, particularly in their choice of lodgings, which varies from staying in motels on the Lower Eastern Shore to day-tripping (i.e., no lodging) in Southern Maryland.
- Except for conventions and outdoor recreation, the activities we have studied typically generate between

TABLE VI
RANK ORDERING OF STATEWIDE SALES IMPACT BY ACTIVITY
(Rank Order - Region - Accommodation)

A	B	C	D	E	F	G
Conventions	Outdoor Recreation	Beaching	Boating	Sightseeing	Fishing	Hunting
(1) Baltimore Metropolitan-1	(18) Western Appalachia-2	(8) Lower Eastern Shore-1	(7) Lower Eastern Shore-1	(6) Baltimore Metropolitan-1	(3) Lower Eastern Shore-1	(5) Upper Eastern Shore-1
(2) Washington Metropolitan-1	(41) Western Appalachia-4	(14) Lower Eastern Shore-2	(12) Lower Eastern Shore-2	(9) Washington Metropolitan-1	(10) Lower Eastern Shore-2	(11) Upper Eastern Shore-2
(4) Lower Eastern Shore-1	(45) Southern Maryland-4	(19) Western Appalachia-2	(16) Upper Eastern Shore-2	(13) Eastern Appalachia-1	(20) Western Appalachia-2	(15) Western Appalachia-2
	(49) Eastern Appalachia-4	(30) Lower Eastern Shore-4	(17) Western Appalachia-2	(34) Baltimore Metropolitan-3	(27) Baltimore Metropolitan-4	(21) Lower Eastern Shore-4
	(53) Western Appalachia-3	(36) Lower Eastern Shore-3	(22) Lower Eastern Shore-4	(57) Southern Maryland-3	(31) Lower Eastern Shore-4	(23) Upper Eastern Shore-4
	(55) Southern Maryland-3	(39) Upper Eastern Shore-4	(28) Lower Eastern Shore-3	(60) Eastern Appalachia-3	(35) Upper Eastern Shore-3	(24) Western Appalachia-4
	(59) Eastern Appalachia-3	(42) Western Appalachia-4	(32) Western Appalachia-4		(37) Lower Eastern Shore-3	(25) Southern Maryland-4
		(46) Southern Maryland-4	(33) Southern Maryland-4		(40) Upper Eastern Shore-4	(26) Eastern Appalachia-4
		(51) Upper Eastern Shore-3	(38) Upper Eastern Shore-3		(43) Western Appalachia-4	(29) Upper Eastern Shore-3
		(54) Western Appalachia-3	(44) Western Appalachia-3		(47) Southern Maryland-4	
		(56) Southern Maryland-3	(48) Southern Maryland-3		(50) Eastern Appalachia-4	
					(52) Baltimore Metropolitan-3	
					(58) Southern Maryland-3	

Key: ACCOMMODATION
1 Hotel/Motel
2 Second Homes
3 Day Trips
4 Campsites

SOURCE: Table V

TABLE VII
AVERAGE STATEWIDE IMPACT BY TOURIST ACTIVITIES
PER 1,000 TOURIST DAYS

ACTIVITIES	SALES (\$)		INCOME (\$)		JOBS (MAN YEARS)		TAX REVENUES (\$)	
	MEAN	STD. DEVIATION	MEAN	STD. DEVIATION	MEAN	STD. DEVIATION	MEAN	STD. DEVIATION
CONVENTIONS (A)	81,931	13,150	21,195	3,525	4.96	0.90	4,073	527
OUTDOOR REC. (B)	9,700	3,347	1,819	343	0.41	0.06	427	95
BEACHING (C)	15,336	12,999	3,355	3,445	0.77	0.88	690	592
BOATING (D)	18,166	13,017	3,815	3,423	0.87	0.84	871	600
SIGHTSEEING (E)	20,845	13,574	4,820	3,340	1.13	0.79	1,144	733
FISHING (F)	16,487	17,427	3,700	4,634	0.86	1.14	716	789
HUNTING (G)	21,642	14,827	4,731	3,870	1.06	0.95	875	735

SOURCE: TABLE V

0.8 and 1.1 full-time job equivalents, Statewide, for each 1,000 tourist-days. In the case of conventions, 1,000 tourist-days create nearly five full-time job equivalents. Outdoor recreation, typically, creates only 0.4 jobs per 1,000 tourist-days.

- Conventioneers and sightseers typically generate the most tax revenues, far more than the other types of tourist.

While these observations do provide a helpful perspective on the relative impact of different tourist activities in the State, it should be noted that the samples selected do not cover all tourist types participating in these activities (e.g., we have not considered sightseers staying at campsites, or conventions in Southern Maryland). However, our sample has covered the most important and most popular tourist types for each activity. Another qualification, pointed out earlier, is that the results of our analysis do not take into account the total number of tourists participating in each activity. Thus, whereas conventions have the greatest impact per 1,000 tourist-days, the total annual sales generated by outdoor recreation may be much greater than sales generated by conventions if the number of tourists participating in each activity is taken into account.

We turn next to a brief discussion of each of the major tourist activities.

a. Conventions

Conventions are the "creme de la creme" of tourist activities. Conventioneers are big spenders. In Table V, they rank 1, 2 and 4 in Statewide sales, income, and jobs generated per 1,000 tourist-days, and 1, 2 and 3 in terms of tax revenues generated in the State. A great deal of their impact is due to the fact that they stay in hotels. From Table VII we see that 1,000 tourist-days of the conventioneers considered in this study (i.e., in Baltimore, Washington and the Lower Eastern Shore) generate, on the average, \$81,931 in sales, Statewide. This creates 4.96 full-time jobs, income of \$21,195 and State and local tax revenues of \$4,073.

But conventioneers are also expensive to attract. Hosting conventions means building large facilities. Except for the large halls in these

facilities, which can be used for sports and other events, convention facilities are generally not usable for other activities. Even if a city has such facilities, a great deal of effort is required to sell an organization on the merits of holding its convention in that city. Often, the city is asked to subsidize the organization's costs.

There is a substantial potential in Maryland for convention facilities for smaller meetings. Businesses often hold working meetings away from the office. Some firms like to hold educational courses in a place away from the day-to-day requirements of the office. These meetings can be very good for the off-season business of resorts. These facilities are available and can be utilized for weekly meetings. Motels near large cities were found to be reluctant to pursue this business, however, since they are generally doing quite well with business travelers.

b. Outdoor Recreation

Outdoor recreation covers a wide range of activities - skiing, hiking, horseback riding, bicycling, golf, etc. Except for beaching, boating, hunting, and fishing, which are treated separately in our analysis, outdoor recreation has the most limited economic impact of any activity in Maryland. Accommodations are generally campsites, though second homes are fairly important. The results in Table VII indicate that per 1,000 tourist-days, outdoor recreation, on the average, results in Statewide sales of \$9,700, which creates 0.4 jobs, income of \$1,819 and \$427 in tax revenues for the State and local governments.

Skiing in Western Appalachia is the one outdoor recreation that has a relatively great economic impact. As can be seen in Table VI, tourists seeking outdoor recreation and staying in second homes rank 18 in Statewide sales, compared to rankings in the 40's and 50's for the other tourist types under the activity heading.

In general, the resources required for the activities listed under outdoor recreation is some undeveloped or rural land, trails and hills. Though these activities provide additional attractiveness to an area, they are seldom the principal attraction for visitors. Pleasant hikes or riding trails are nice, but without really large mountains or longer pack trips, they cannot be expected to be real generators of tourism business.

However, people are growing more interested in these kinds of activities. Increased sales of hiking equipment and the boom in bicycle sales show that there is a growing market for facilities catering to these interests.

As mentioned above, skiing has the greatest economic impact of the various activities that fall under the general heading of outdoor recreation. For example, skiers in Western Appalachia staying in second homes (either owned or rented) generate \$17,730 in sales per 1,000 tourist days. One of the reasons for this relatively large figure is the high expenditure rate for equipment, lessons, ski tows, etc.

Skiing, being an off-season activity, has the added benefit that it can keep a recreation complex going when there are no other opportunities for employment. However, it is very capital intensive and requires a specific set of natural conditions to make it possible.

There is only one real ski area in the State at present, although there are some other small areas. The State's potential is limited due to a lack of skiable mountains and difficult weather conditions.

c. Beaching

Beaching includes activities such as swimming, sitting, and general cavorting at the water's edge. These pastimes have long been synonymous with relaxation for people all over the world. The economic impact of Maryland's ocean beach is quite high, whether people stay in hotels or at their own second homes. The impact is limited for campers or day trippers. The Statewide averages (Table VII) indicate that 1,000 tourist-days generate \$15,336 in sales and create only 0.77 full-time jobs. Thus, this activity is generally a below-average employment generator. Furthermore, much of the employment consists of college students - often from out of State.

The resources required range from a small piece of sand by some slow-moving river to the great ocean beaches. The larger the beach, the greater the opportunity for cavorting. Beaches have always been in demand and a good ocean beach is a great tourist attraction. Large lakes with some sandy shore line are also popular, but it seems to be the ocean with some surf which really sells.

The largest section of shore line in the State, the Chesapeake Bay, is limited in beach opportunities by a major problem - the sea nettle. Although there is great potential for developing beaches on the Bay, the presence of the sea nettle during the middle to late summer makes these waters less than ideal for swimming. These stinging jellyfish are not always present, but are washed back and forth by the currents in the Bay. They can be avoided; they do not attack, but swimmers must be wary.

d. Boating

Boating is one of the major tourist activities in Maryland, and the economic impact of boaters is fairly large. Average sales generated per 1,000 tourist-days are \$18,166. As with beaching, however, employment effects are rather limited. Because of licensing and registration fees, tax revenues generated by boaters are quite high in comparison to the other tourist types, i.e., \$871 per 1,000 tourist days.

As can be seen in Table VI, the impact of boating, in terms of sales, varies widely: the impact of boaters on the Lower Eastern Shore staying in hotels or second homes is quite high; that of boaters in Southern Maryland not staying in lodgings or staying at campsites is relatively low. This wide dispersion of tourist types participating in this activity is reflected in the rather large standard deviations in the various measures in Table VII.

Maryland's Bay and tidal rivers provide excellent waters for all kinds of boating. The Bay provides a major attraction for out-of-state boaters, largely from Delaware and Pennsylvania. The opportunities for boating on lakes in the State, however, is restricted by the lack of lakes and the restrictions on use for some of the larger lakes, since they are used for water supply. An exception is Deep Creek Lake, a major boating center, which attracts visitors from several states.

Boating has been one of the booming recreational activities in the nation during the past two decades. Once largely the province of the rich yachtsman or the hardy small-boat enthusiast, it is now recreation for everyman. Boats have become much more inexpensive and easier to maintain, with hulls made of fiber glass and other plastics. Outboard motors provide inexpensive and simple propulsion for the majority who don't want to wait on the wind or pull themselves through the water.

The magnitude of boating in Maryland can be approximated through the boat registration figures of the Department of Chesapeake Bay Affairs. Though most of the "small" boat sailing fleet is unregistered, boats over 25 feet in length or those with a motor of 7.5 horsepower or greater are registered. In 1971, Maryland had 66,934 pleasure boats registered. Of these, 12.6% of the owners resided out of State. Fifty-six percent of the boats were kept on the water in the State, while the remainder were kept on trailers and taken to various launching areas within the State and out of State.

Maryland promotes the use of its waters through promotional literature, and the Department of Chesapeake Bay Affairs has made a movie which shows the activities on the Bay. The Department of Natural Resources publishes the Guide for Cruising Maryland Waters, which is an excellent promotional document, as well as a useful operational manual. Chesapeake Bay Affairs also cooperates with the Coast Guard in providing education courses on boating safety and also, has an education program of its own. Maryland also has a maritime police force which enforces the boating law of the State and provides assistance to any boats requiring help. Maryland has also provided some physical developments directed toward pleasure boating, such as the dredging of the channel between the Bay and the Back River.

The federal government provides a large number of services for pleasure boaters through the provision of charts, navigation aides, channel markers, and the dredging of most channels. The Coast Guard also enforces boating regulations, assists boats in distress, and conducts courses in boating safety.

e. Sightseeing

Sightseeing is the classic tourist occupation. With cameras in hand, they come out to "dig the sights". As noted above, after conventions, this activity attracts tourists which are among the most beneficial to the State. As in all other cases, however, the economic impact of sightseers is largely dependent on where they stay, i.e., in hotel accommodations or not. This fact is clearly reflected in Table VI which shows that those sightseers who stay in hotels rank quite high in Statewide sales generated by 1,000 tourist-days, whereas those who are on day trips

are quite low on the list. The average sales, per 1,000 tourist-days, is \$20,845. The number of jobs created by these sales is second only to conventions - 1.13 man-years.

The real question regarding these tourists is what makes a sight worth seeing? Historical significance is a big drawing card. Also, there is the "--est" syndrome: biggest, highest, wettest, driest, whatever-est.

Maryland has a lot of history going for it. Maryland has been around during the whole of American history, and thus has some historical sites of national significance. The sites of some of the earlier settlements in the country are also drawing cards. Maryland cannot claim too much in the "--est" category without restricting the population from which the "--est" is selected. (The highest mountain in Allegany County is not of national interest.)

Maryland ranks high in terms of the number and quantity of sites with historical interest. (Maryland has a disadvantage in developing sightseeing attractions because it has no single massing of historical sites in proximity, such as the Williamsburg/Jamestown complex. However, neither can many other states claim an attraction of this size and historical significance.) Annapolis has become a substantial attraction. The restoration of the town, coupled with the State Capitol, St. John's College, and the Naval Academy, provide the "critical mass" to be a major attraction.

The other attractions in the State are more of a problem to exploit. They tend to be single, fairly widely-scattered sites which are not particularly well known. Many of these sites are in considerable disrepair so that substantial "faith" is often required to believe the plaque which marks the spot.

f. Fishing

Fishing in Maryland is both a recreational and commercial venture. On the Lower Eastern Shore it is an important part of the economic base. Commercial fishing is directed mostly to oysters and crabs, although some fin-fish is caught commercially in the Bay. Recreation (or sport) fishing is directed largely toward fin-fishing, but crabbing and occasional oystering is a tradition of shore home owners. Nearly all freshwater fishing is for sport.

Fishing is popular in Maryland and attracts many out-of-State visitors. The fisherman who stays in a hotel generates a fairly large economic impact. However, the day-trip fisherman's impact is among the lowest (see Table VI). The average impact per 1,000 tourist-days for this activity is \$16,487. Fishing is a fairly low employment generator, typically creating only 0.86 jobs per 1,000 tourist-days.

The State plays a large role in support of this activity. It is the authority which manages the fish resource through regulation of the catch and fish-breeding programs. The State also sets fresh-water season lengths and stocks various rivers, streams, and lakes with fish. These management practices permit intense fishing on Maryland's waters and increased catches. Most of the management activity in the Bay is directed at the commercial fishermen, but the sport fishermen are direct beneficiaries of these programs. Inland-water fishing requires a license, the proceeds of which are directed toward the management of fishing resources. State and local taxes generated per 1,000 tourist-days for this activity is estimated at \$716.

Management of the fish is not the only role of the State in recreational fishing. One service used by sport fishermen is that of charter boats. The major center for these boats is in Ocean City but there are also operators on the Bay. The State (and the Coast Guard) regulates the safety of these boats as to the equipment they must carry.

g. Hunting

Hunting has a high economic impact, all regions and accommodation types ranking in the top half of the profile list (see Table VI). Hunting is divided into two district segments - bird shooting and game animal shooting. The biggest hunting attraction is bird shooting (ducks and geese) on the Eastern Shore. Game, most popularly deer, is found in most rural areas of Maryland, but is mainly hunted in the Western counties. Average sales per 1,000 tourist-days in this activity are second only to conventions at \$21,642. However, the total overall impact of hunting is limited by the short seasons, generally about a month in most counties for a given species.

As with fishing, the State plays a major role in managing the population of game or birds. The season is regulated, the per-person bag is controlled, and some game refuges are provided.

5. Assessment by Regions

The impact of tourists, the potential and the relative importance of tourism to the economic base all vary by geographic regions. The variances are due, fundamentally, to differences among the regions' economic structures and the types of tourists they attract. For this study, we have divided the State into regions whose attractions are as homogeneous as possible. The regions are made up of whole counties, since the data required by the economic analysis is available only on a county basis.

Table VIII shows the activities of Table V regrouped by region. The number in parentheses is the rank of the tourist type according to his regional impact in terms of sales generated per 1,000 tourist-days. The first impression from the table is that the range of opportunity for tourism attraction varies considerably among the regions. Metropolitan Washington exhibits significant per-tourist impacts in only two activities - conventions and sightseeing - while the Lower Eastern Shore generates significant impacts in 14 activities. In general, the Metropolitan areas have a limited number of attractions, but these are the big-impact activities - namely, conventions - which, as pointed out in the previous section, are the big expenditure attraction. The rural areas of the State may logically be expected to offer a wider range of activities, but these activities have relatively less impact. However, there may be several reasons to develop rural area activities instead of the big-impact activities: for example, the costs of developing them and attracting people to them may be less. The strongest argument for developing tourism in the more rural regions may be that they have fewer alternative economic development opportunities than the more urban regions.

In Table IX we have shown the mean (or average) and standard deviation of the four regional impact measurements for each of the seven regions. The values for the tourist types used in computing these statistics were taken from Table V. The following are several important observations about the results of Table IX:

TABLE VIII

RANK ORDERING OF STATEWIDE SALES IMPACT BY REGION OF ORIGIN

(Rank Order - Activity - Accommodation)						
I	II	III	IV	V	VI	VII
Western Appalachia	Eastern Appalachia	Washington Metropolitan	Baltimore Metropolitan	Southern Maryland	Upper Eastern Shore	Lower Eastern Shore
(15) Hunting-2	(13) Sightseeing-1	(2) Conventions-1	(1) Conventions-1	(25) Hunting-4	(5) Hunting-1	(3) Fishing-1
(17) Boating-2	(26) Hunting-4	(9) Sightseeing-1	(6) Sightseeing-1	(33) Boating-4	(11) Hunting-2	(4) Conventions-1
(18) Outdoor Recreation-2	(49) Outdoor Recreation-4	(27) Fishing-4	(27) Fishing-4	(45) Outdoor Recreation-4	(16) Boating-2	(7) Boating-1
(19) Beaching-2	(50) Fishing-4	(34) Sight- seeing-3	(34) Sight- seeing-3	(46) Beaching-4	(23) Hunting-4	(8) Beaching-1
(20) Fishing-2	(59) Outdoor Recreation-3	(35) Fishing-3	(35) Fishing-3	(47) Fishing-4	(29) Hunting-3	(10) Fishing-2
(24) Hunting-4	(60) Sightseeing-3			(48) Boating-3	(38) Boating-3	(12) Boating-2
(32) Boating-4				(55) Outdoor Recreation-3	(39) Beaching-4	(14) Beaching-2
(41) Outdoor Recreation-4				(56) Beaching-3	(40) Fishing-4	(21) Hunting-4
(42) Beaching-4				(57) Sight- seeing-3	(51) Beaching-3	(22) Boating-4
(43) Fishing-4				(58) Fishing-3	(52) Fishing-3	(28) Boating-3
(44) Boating-3						(30) Beaching-4
(53) Outdoor Recreation-3						(31) Fishing-4
(54) Beaching-3						(36) Beaching-3
						(37) Fishing-3

Key: ACCOMMODATION

- 1 Hotel/Motel
- 2 Second Homes
- 3 Day Trips
- 4 Campsites

SOURCE: Table V

TABLE IX

AVERAGE REGIONAL IMPACT OF TOURISTS
PER 1,000 TOURIST DAYS

REGIONS	SALES (\$)		INCOME (\$)		JOBS (Man Years)		TAX REVENUES (\$)	
	MEAN	STD. DEVIATION	MEAN	STD. DEVIATION	MEAN	STD. DEVIATION	MEAN	STD. DEVIATION
WESTERN APPALACHIA (I)	8,416	3,442	1,098	239	0.31	0.06	420	123
EASTERN APPALACHIA (II)	7,515	4,415	1,371	923	0.40	0.29	476	367
WASHINGTON METROPOLITAN (III)	36,304	14,175	8,106	3,604	1.98	0.88	2,288	793
BALTIMORE METROPOLITAN (IV)	27,234	29,098	6,189	6,833	1.55	1.71	1,437	1,474
SOUTHERN MARYLAND (V)	5,527	1,054	1,148	196	0.32	0.04	355	68
UPPER EASTERN SHORE (VI)	11,002	9,336	2,472	2,499	0.69	0.73	648	559
LOWER EASTERN SHORE (VII)	18,548	13,730	4,608	4,237	1.30	1.26	1,083	898

Source: Table V.

- The greatest per-tourist economic impact of any Maryland region on the State as a whole, in terms of all four measurements, is produced in Metropolitan Washington Region.
- The Baltimore Metropolitan Region attracts tourists that generate the second greatest regional impact in the State. The Lower Eastern Shore ranks third. In both these regions, the economic impact of the tourist types visiting the areas is considerably greater than in the remaining regions, except for Metropolitan Washington.
- Maryland's two Western Appalachia Counties appear to attract tourists who, on the average, produce the least regional impact in terms of jobs created and income generated per 1,000 tourist-days.
- Southern Maryland attracts tourists who generate the least sales and tax revenues for the State.

As in the previous section, we must point out that the results of averaging tourist types in order to make observations about activities Statewide, or as we have done here, about Regions, must be qualified. The same qualifications mentioned in the beginning of Chapter II apply here. That is, for example, hunting is not a significant tourist activity in Metropolitan Washington, nor are conventions a significant part of the tourist activity in Eastern Appalachia. And the impact figures for the regions are measured per thousand tourists, irrespective of the actual numbers of tourists visiting any region. As explained in Appendix A, only the sixty most significant combinations of region, activity, and accommodation form the basis for our analysis.

We next turn to a brief discussion of each region, pointing out how the tourist types in each differ in terms of average impact and how the character and prospects of tourism vary.

a. Western Appalachia

The basic attraction of this region (Garrett and Allegany counties) is the outdoors. Hunting is the top activity in terms of impact. Boating.

beaching, and general outdoor recreation are the next three activities in the region. This group of activities has an impact, in terms of sales, of about the same magnitude. Regional sales, per 1,000 tourist-days, are \$8,416. These sales create only 0.31 full-time jobs and income of \$1,098, and State and local taxes of \$420.

The geographic configuration of the Western-most region of the State results in trade patterns which largely lead out of the State. Garrett County looks to Pittsburgh for most commercial needs, which explains why the impact in terms of income and jobs is quite different in the rank ordering of Table V from that of sales. The "leakages" are highest in this region of the State.

The basic attractions in the Region are the mountains, woods, and Deep Creek Lake. The Lake is the major attractor in the Region; on crowded weekends, it approaches saturation. The shore line is almost completely developed, except for some State Park land and some privately held shore front. The region's unique asset is Maryland's most substantial ski area. The region gets good snow and its low winter temperatures mean that snow can be made to augment natural cover. In economic terms, skiing has been a boon to the area, since it has generated income and jobs in what was a dead season.

Second homes have always been a major means of accommodation in the region. Historically, cottages along the Lake were the principal type, but there is presently considerable construction of more substantial houses and condominiums for year-round use.

The region is scheduled to develop major improvements in access to the east and west, with the construction of Corridor E of the Appalachian Highway system. This will greatly improve access to it from the Baltimore and Washington areas, and place the region on a major east-west route. The highway will also make the Cumberland area much more attractive for tourism development. Presently, Cumberland's attractions are in the "potential" category, but the potential is there. The proposed development of the terminus of the Chesapeake and Ohio Canal Park will provide the region with a substantial attraction, and development of the Narrows could induce east-west travelers to spend some time (and money) in the Cumberland area.

Development of tourism in the region will require a large investment in sewage disposal facilities around Deep Creek Lake. Conditions have become sufficiently serious to have required a temporary moratorium on construction right around the Lake. Second-home developments and recreational communities will require effective sewage treatment, whose costs should be borne by the developers. Further developments will need an expanded secondary road system, requiring direct expenditures by the State and Counties. The State may also have to bear costs in developing specific facilities on State lands.

b. Eastern Appalachia

The basic attractions in this region (Washington and Frederick Counties) are sight-seeing and the outdoors. There are some major sight-seeing attractions in the region, particularly the Antietam National Battlefield. The region also has many small interesting historical sites. The top activity in the region, in terms of economic impact, is for sight-seeing by people who will spend the night in local hotels and motels.

The tourist profiles for this region show average sales of \$7,515 per 1,000 tourist-days, which is less than in Western Appalachia. However, because there is less leakage out of the region, these sales create more jobs, income and tax revenues than Western Appalachia's sales.

The region's position on Interstate 70, a principal route from the west to Washington, D. C., provides a major market. Interstate 81 also forms a major north-south route which is being used more and more by tourists to avoid the congestion of the Interstate 95 corridor. The region is centrally located among a wealth of major Civil War historical attractions. The National Park Services' Chesapeake and Ohio Canal Park will provide the region with another attraction of national significance. Three of the six visitor centers planned for this park are to be in the region. Also, the area around Catoctin National Park has demonstrated the drawing power of special events and the need for community cooperation in developing these events.

The economic impact of general outdoor recreation, hunting, fishing, and boating is limited, since the activities are mainly day trips or week-end camping from the Baltimore and Washington areas. The lack of large

flat-water resources limits the potential for these activities in the region and almost rules out the development of these activities for hotel/motel or second-home visitors. There are some attempts at recreation-based communities around moderate-sized lakes, but these are close enough to Metropolitan area employment to be permanent homes providing recreation amenities.

Costs to the State in expanding tourist activities in this region will be predominantly in highway improvements to provide access to the visitor centers of the Chesapeake and Ohio Canal Park. Increased general sight-seeing will require upgrading of secondary roads. Care will have to be exercised in constructing accommodations to ensure that they will have adequate sewage disposal facilities.

c. Metropolitan Washington

The only two activities which are considered to have much potential for this region (i.e., conventions and sight-seeing) both rank very high in terms of economic impact. In fact, this region (Montgomery and Prince George's Counties) has the highest averages on all regional measures with sales of \$36,304 per 1,000 tourist-days which create 1.98 full-time jobs, \$8,106 in income and \$2,288 in tax measures.

Washington, D. C. is the nation's number one tourist attraction and the motels around the District are becoming more popular with visitors. The fact that much expenditure in the region leaks into the District means that the impact of tourists in terms of sales, income, jobs, and taxes is considerably lower than for the same activities in Metropolitan Baltimore. For example, both conventioners and sightseers rank lower in terms of impact in this region than in Baltimore (See Table V).

A number of large meeting rooms provide facilities for medium-sized conventions. However, there are no major convention facilities in the region to accommodate large gatherings. Conventions may have a very high economic impact, but (as noted in Section II, B, 4, a above) they are quite costly to promote, often requiring an outright cash payment or many free services, and they always place an added burden on local services such as police protection, trash removal, etc.

d. Metropolitan Baltimore

Metropolitan Baltimore region (Baltimore, Carroll, Harford, and Howard Counties), like the Metropolitan Washington Region, may not have many tourism activities, but the impact of those they do have is great. A convention in Baltimore has the greatest economic impact of all activities. The Metropolitan Region is self-contained, so that leakages are limited; thus, the multiplier on tourist expenditures is the largest in the State. Since conventioners spend the most, the economic impact of a convention in Baltimore is half again as great as in Washington, and almost twice as great as the next activity (fishing on the Lower Eastern Shore). Average regional sales generated per 1,000 tourist-days in this region for all the tourist types considered in this study is \$27,234. This is second to the Washington Metropolitan Region simply because other tourist types such as fishermen on day trips have also been averaged in. Total sales for all tourist types in the region create 1.55 jobs, income of \$6,189, and tax revenues of \$1,437.

Baltimore has not been a major convention city. It has trouble putting together a large enough package of hotel rooms for major conventions. It is also reputed that Baltimore has not been particularly aggressive in pursuing conventions.

Baltimore is rather overshadowed as a tourist sight-seeing city by Washington, D. C., as in fact is just about every other city in the country. However, Fort McHenry is of national significance and urban renewal has made downtown Baltimore much more attractive. The upcoming waterfront renewal project will be oriented toward visitors, and additional hotel space will make the city much more attractive for visitors and residents.

The country around Baltimore is beautiful. There are many houses of historical interest; however, most of these are residences and not open to visitors.

Fishing is the main outdoor recreation, but its economic impact is limited since most fishing is done on day-trips. Several large reservoirs are stocked with fish and the upper reaches of the Bay provide good fishing. The U. S. military installations in Harford County severely limit the available Bay shore of the region.

Although the region does not offer as many tourist activities as most other areas in Maryland, it is important to note the great extent to which Baltimore benefits from other regions' tourism activities. Tables A-1 through G-4 in Appendix C summarize the indirect effects which are estimated to accrue to this region from direct tourist expenditures in the other regions.

e. Southern Maryland

Southern Maryland (Anne Arundel, Calvert, Charles and St. Mary's Counties) has a wide range of potentials but the economic impact of these activities is very limited. Average sales generated per 1,000 tourist-days are only \$5,527 - the lowest average in the State. The proximity to Baltimore and Washington, and the fact that the region is not on any major through route, limits the area to day trips and camping from the neighboring Metropolitan areas.

The region has considerable potential for sight-seeing. Annapolis is a proven attraction. St. Mary's City is also popular, although somewhat isolated and lacking in restaurant or motel facilities.

Boating is the biggest attraction in the region. Annapolis is one of the country's major yachting centers. There are many marinas on the western shore of the Bay. There may be some puzzlement over the relatively low economic impact of boating. But the majority of boating activity is in small boats, and many of these are trailered to a launching site. The massive expenditures on the few large yachts are not enough to make boating a "big impact" activity on average.

The main cost for expanding tourism in this region would be an improvement of access through the region with better secondary roads. Also, the southern end of the region will need better restaurant and motel facilities.

f. Upper Eastern Shore

This region (Caroline, Cecil, Dorchester, Kent, Queen Anne's and Talbot Counties) has a wide range of activities. Hunters staying in motels or in second homes, as well as boaters, generate the greatest economic impact. The economic impact of tourists is somewhat limited by proximity to population centers, so that many visits are day trips or weekend camping. Average regional sales generated per 1,000 tourist-days is \$11,002, which creates 0.69 jobs in the region, \$2,472 in income, and \$648 in tax revenues.

The big attraction of the region is the Chesapeake Bay. The rivers and estuaries of the Eastern Shore provide some of the finest boating waters in the world. The shore also provides excellent fishing. Bird shooting is a major attraction in the fall.

The Upper Eastern Shore has a central handicap for tourist development: that is, virtually all the land is privately held, including most of the waterfront land, so that public access to most of the attractions in the area is limited. Also, a large number of the region's residents do not want to see extensive tourism development. They fear that the scenery which they love will become obliterated by "taco stands and giant whirling fried chicken buckets."

However, whatever the feelings of the residents, the completion of the Second Bay Bridge is going to make the area even more accessible than it is now. The main activities that will benefit from the improved access will be fishing and boating. There is already a substantial demand for second homes in the area, especially for land on the water, and the new bridge will greatly increase that demand. The region's principal problem will be to avoid the destruction, by over-development or haphazard development, of the features which presently attract visitors.

The two Eastern Shore regions will have to bear substantial highway costs to deal with the influx of tourists. Sight-seeing will require improvement of secondary roads. On the Bay side of the shore, the State may have to purchase waterfront land to provide access to the Bay. Tourism in both Eastern Shore regions would benefit from a cleanup of pollution in the Bay. However, the entire cost should not be allocated to tourism.

g. Lower Eastern Shore

This region (Somerset, Wicomico, and Worcester Counties) has the greatest number of tourist activities and is third on the economic impact list in the State, with regional sales of \$18,548 generated per 1,000 tourist-days. These sales create 1.3 jobs regionally and \$4,608 income. State and local tax revenues generated by these sales are \$1,083. The first five tourist types for the region are in the top 10 impact activities for the State.

Ocean City is a major beach resort and the convention center there provides facilities for the top-impact tourist. However, the impact of conventioners in Ocean City is slightly smaller than for the conventioners in the Metropolitan Washington region, due to smaller per capita expenditures and to leakages from the region.

The main attraction of the region is, however, the water - water on the Ocean side, water on the Bay side, and rivers, estuaries, and lakes between. Presently, most activity and accommodations in the region are concentrated around Ocean City. The Lower Eastern Shore of the Bay is used for boating and fishing. Swimming is a problem in the Bay because of sea nettles which reduces the attractiveness of Bay swimming. However, the water is fresh enough in some river estuaries to keep the nettles out.

Fishing is a major activity in the region and it has a high economic impact. Ocean City is a center for ocean fishing. Boats are chartered for deep-water fishing and trips out to the Gulf Stream. This form of fishing entails large expenditure for the boat, and, because such fishing is an all-day trip, most people stay in motels. There is also considerable charter boat fishing in the Bay, but calmer water means that a lot of people come and fish from their own small boats.

Camping is popular, especially in the State Park on Assateague Island. Camping will probably increase, especially through the development of private commercial campgrounds. Also, the general attractions of the area provide a good demand for second homes. The popularity of renting a place for a week in the summer season makes condominiums an attractive investment as well as a means of providing a second home.

On a summer weekend, the pressures on Ocean City area are obvious. The completion of the Second Bay Bridge will greatly increase those pressures and tourist development will expand back from the beach onto the mainland. Development may also be redirected from the Ocean side to the Bay side.

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III. THE STATE'S ROLE IN TOURISM

Tourism in Maryland has great potential for growth. The State is an integral part of the "eastern megalopolis;" there will be an ever-increasing demand for recreation and cultural enrichment. On the supply side, Maryland is fortunate in its topographical variety which ranges from Atlantic Coast to a great protected Bay to rolling farmland to the Appalachian Mountains.¹ Furthermore, review of the impact measures of the major tourist types in Maryland shows that, though certain kinds of tourists in certain places have a relatively more favorable impact than others, tourism has a favorable overall effect on the State's economy.

Before proceeding to explicit strategies by which the State can derive maximum benefit, both economic and social, from tourism, it would be well to consider what roles are appropriate for the State to adopt in tourism development. There are two fundamental strategies by which state agencies have stimulated tourism:

- Through promotion and advertising of potential tourist attractors; and
- Through development of tourist attractors designed to increase economic activity in a given area.

The first role is, by far, the most common, though many states have explicitly acknowledged the economic potential of tourism.

Maryland is one of thirty-three states in which tourism development is formally recognized and organizationally structured as a part of economic or industrial development. (See Appendix E.) A Department of Economic Development and the Economic Development Commission were created by the General Assembly in 1959 for ". . . the general purpose of advancing the economic welfare of the people through programs and activities to develop . . . the state's . . . economic opportunities pertaining to

¹Our assessment of Maryland's potential for tourism growth in terms of attractions, facilities, pending developments, conflicts and issues, and local sentiment is covered in Appendix B for each region and major activity.

commerce . . . travel, tourism and recreation, and to promote and encourage the location of new industries and businesses in the state . . . and to develop gainful employment".¹ In the creation of that department, a Travel Development Division was created to ". . . foster and promote the development and growth of Maryland's tourism industry".

In 1970, a major program streamlining the Executive Branch created eleven major cabinet-level departments. A Department of Economic and Community Development was formed encompassing the former Department of Economic Development now as a Division. In addition, an independent Maryland Division of Tourism was created to ". . . stimulate the development of the tourist business in Maryland . . . to increase Maryland's share of domestic and foreign travel business in order for the State to derive the fullest economic, social and cultural benefits that tourism generates ."²

Interestingly, the functions of the "old" Travel Development Division are still retained, in theory perhaps, within the "new" Division of Economic Development in the "Travel Development Office".³ Much of the description of the new Travel Development Office and new Maryland Division of Tourism are virtually identical.

This fact has important implications for the future of Maryland's tourism development in economic terms. It suggests that, despite the formal recognition of tourism as an economic development function, Maryland continues to stress the traditional promotional aspects of tourism development. These aspects are undeniably important in any overall state tourism-development strategy, yet they are not in themselves sufficient to permit the State to focus its energies in the areas of greatest payoff suggested by the Chapter II assessment of tourist impacts.

In this Chapter, we examine Maryland's present level of commitment to tourism-development activities. Next, we assess the implications of our impact analysis for State action. Finally, before proceeding to our

¹Manual, State of Maryland, 1969-1970, page 216.

²Manual, State of Maryland, 1971-1972, page 226.

³Ibid.

recommended strategies in Chapter IV, we consider some of the factors affecting the State's potential role in economic-benefit-oriented tourism projects.

A. PRESENT LEVEL OF STATE COMMITMENT

The major effort of Maryland's tourism program, on the State level, centers around promotion (see Appendix E). Most of the work of the Division of Tourism is devoted to preparing advertising programs, films, brochures and publications; responding to inquiries; and communicating with special interest groups such as hotels/motels and tour operators, chambers of commerce, and other local organizations. These activities, in fact, constitute the major portion of the work of state travel organizations in general.

If such activities are considered to be the principal role of a state's tourism program, Maryland's Division of Tourism ranks high, nationally. Its director and staff are recognized and highly regarded throughout the industry.

However, Maryland's state travel budget is below average. Using budget as an indication of state commitment, we shall show below that neither in relative nor absolute terms can Maryland be thought of as "committed" to tourism. In fact, using the measures developed below, in order for Maryland to reach U. S. averages in degree of commitment, the State would have to double, at least, its tourism budget. In order to reach the levels of states with "high" commitments, it would have to triple or quadruple its tourism budget.

State industrial development and tourism agency appropriations total more than \$50 million for the fifty states, or about \$1 million per state for both activities. These appropriations cover both administration and promotion. Roughly 50% of the expenditures are allocated for administration and 50% for marketing. Within the marketing allocation, promotion for tourism development represents about 75% of total expenditures; that is, tourism advertising has roughly a \$3 to \$1 advantage over industrial development advertising.

Not all states appropriate funds for travel agency budgets from state general fund revenues. Alabama and Massachusetts support their agencies through lodging tax revenues (Massachusetts supports the industrial development activity as well through the room tax); North Dakota and Utah support their agencies through gasoline tax revenues; South Dakota and Texas use highway funds; and in Hawaii, the state with the highest tourism appropriation, 25% of tourism agency appropriations are obtained through private support.

State tourism appropriations are usually allocated to central administrative and promotion budgets. Allocations are also made in some states to regional and local groups by transferring funds from state tourism agency appropriations.

Table X lists state tourism agency budgets (1970-71) and direct state appropriations for advertising and promotion. "Direct" is used here to distinguish between promotion administered directly by the state and that paid for by the state but administered by other groups. In Hawaii, for example, the advertising and promotion budget is listed as only 17% of the total agency budget, but this does not reflect the total advertising "placed" as a result of state-controlled funds. Matching funds programs also result in further promotion; however, local groups administer the promotion program. Thus, that allocation is not shown in Table X as part of the advertising budget. Further, there are accounting interpretation problems. An advertising and promotion budget generally implies purchased marketing services. The salary of a brochure writer is accounted for in administration, while the printing and distribution of the brochure is part of promotion. An agency staff member engaged in the function of public relations would generally be accounted for under administration, while the same work performed under contract by a public relations agency would be accounted as promotion. The cost of producing and distributing a film would be accounted for as promotion even though an agency staff person may be full-time occupied in producing it.

According to the data, the average state tourism agency budget is on the order of \$750,000, of which an average 52% is allocated to advertising

TABLE X

SELECTED STATE COMPARATIVE STATISTICS ON TOURISM BUDGETS

State	State Tourism Total (Thousands of \$)	Agency Budget ¹		Total Travel Budget ²		Total Travel Budget ³ per \$1000 of Personal Income
		Advertising & Promotion (Thousands of \$)	Percent of Advertising & Promotion	Revenue	Direct State Expenditures	
Alabama	470	350	74	.0383	.0547	.048
Alaska	810	210	26	.0683	.2779	*.578
Arizona	210	85	40	.0276	.0472	.033
Arkansas	860	400	47	.1403	.2118	.160
Colorado	540	450	83	.0628	.0961	.063
Delaware	130	30	23	.0446	.0532	.053
Florida	1200	710	59	.0598	.1019	.048
Georgia	*1670	790	47	.1112	.1581	.109
Hawaii	*2290	400	17	*.4179	.3601	*.665
Idaho	320	175	55	.1217	.1543	.140
Illinois	1250	980	78	.0309	.0521	.025
Iowa	250	-	-	.0244	.0357	.024
Kansas	110	60	55	.0148	.0241	.013
Louisiana	640	200	31	.0415	.0629	.058
Maryland	440	310	70	.0286	.0504	.026
Minnesota	400	200	50	.0246	.0478	.028
Mississippi	390	240	62	.0459	.0712	.067
Missouri	610	400	66	.0654	.0573	.035
Nebraska	80	N/A	56	.0170	.0276	.014
Nevada	180	100	56	.0732	.1054	.077
New Jersey	270	200	74	.0128	.0206	.008
New York	*1780	970	54	.0198	.0358	.020
North Carolina	1120	500	52	.0633	.1119	.068
North Dakota	220	45	20	.0812	.1084	.119
Oklahoma	160	90	58	.0057	.0085	.004
Oregon	550	150	27	.0533	.0690	.065
Pennsylvania	900	470	52	.1115	.1406	.116
Rhode Island	1150	600	52	.0382	.0363	.025
South Carolina	360	80	22	.0937	.1141	.096
South Carolina	1210	700	58	.1340	.2178	.130
South Dakota	710	640	85	*.3043	*.3706	.355
Texas	*1450	*1360	91	.0436	.0404	.039
Vermont	600	290	41	.1321	.1927	.201
Virginia	400	260	65	*.3271	*.4212	*.359
Washington	8100	360	32	.1222	.1747	.090
West Virginia	360	100	28	.0316	.0536	.047
Wisconsin	1110	360	32	.1719	.2957	.230
Wyoming	310	320	61	*.2206	*.3326	*.342
Zoo	810	310	38	.0043	.1762	.170
Unk.	750	310	32	6.0000	(.0000)	(.0000)

Notes to Table X

1. Data shown is 1970-71 Budget except for Alabama, Arizona, Arkansas, Utah, Wyoming which is for 1971-72.
2. The ratios shown are slightly overstated since proportions of 1970-71 travel budgets are computed with respect to 1969-70 total state budgets. In 1969-70 travel budgets were slightly lower or conversely in 1970-71 state budgets were slightly higher.
3. Same as (2) above. Ratio is with respect to 1969-70 personal income which has risen somewhat in 1970-71.

* Refers to extreme points.

() Refers to averages which exclude extreme points.

Sources

- ¹ Survey of State Travel Offices 1971-72, Discover America Travel Organization, September 1971.
- ² Governmental Finances in 1969-70, U.S. Department of Commerce, Bureau of the Census
- ³ Survey of Current Business, U.S. Department of Commerce, Office of Business Economics, August 1971.

and promotion. Some of the states with relatively large (over \$1.5 million) tourism agency budgets are Georgia, Hawaii, New York, Texas and Virginia. Maryland's 1972 budget is \$591,267. This figure does not include appropriations to agencies such as the Maryland Historical Trust, Ocean City Convention Hall, St. Mary's City Commission, Maryland Arts Council and the Maryland Bicentennial Commission, all of which are tourism-oriented. Neither does the figure include State contributions to regional economic development organizations (which include tourism functions) such as the Delmarva Advisory Council, Tri-County Council for Southern Maryland, and Regional Planning Council. In some states, contributions to such independent agencies may come from tourism agency appropriations. Accounting for contributions to such agencies, the overall appropriation for tourism activities directly by the State in Maryland is well over \$1 million. It is expected, however, that such discrepancies exist in every state. Thus, the data in Table X can be used for gross comparative purposes.

State advertising budgets vary from nearly none (California) to nearly \$1 million (New York, Texas, Michigan). Some of the heavy advertising states are Florida (over \$500,000), Georgia (over \$600,000), Illinois (about \$700,000), Oregon (nearly \$500,000), Pennsylvania (over \$600,000), and Virginia (over \$600,000). Magazines and newspapers are considered to be the most effective advertising media. Maryland's 1972 advertising budget was about \$170,000. Magazine advertising usually accounts for 60-90% of the advertising budget, newspaper advertising for 10-40% of the budget. Printing budgets for state tourism promotion vary from nothing (California) to nearly \$400,000 (New York and Texas). Most states spend on the order of \$50,000 to \$100,000 for printing. Maryland's 1972 printing budget was \$60,000.

A device to create leverage for local communities as well as to foster regional activity used by some states is matching funds with local organizations. Typically, multi-county tourism promotion organizations (sometimes referred to as TPA's - Tourism Promotion Agencies) are created which raise funds to be matched by the state. In general, matching funds programs are on a 50/50 basis, but some states have uneven bases. Some of the states

currently with matching programs are Arkansas, Louisiana, Michigan, Minnesota, Oklahoma, Pennsylvania, Utah, West Virginia (80/20) and Illinois (60/40). Funds appropriated for such programs vary from \$100,000 for Arkansas to \$1 million in Pennsylvania. Maryland has a special matching fund program. It provides \$75,000 to the Baltimore Convention and Visitors Council on a matching-fund basis.

The effectiveness of such programs is not known. The relative popularity of matching funds is reputed to be political - that is, legislatures like such programs because they provide an opportunity to return state funds for use directly by constituents and to bring in business to local communities. When such funds are distributed over many local agencies, say \$5,000 per locality, then the effectiveness of such expenditure is lost; that is, funds get diffused. Such policy may lead to political effectiveness, which is not synonymous with business effectiveness. In general, however, a state will have no quality control over results of funds allocated and the results produced by local organizations often tend to be amateurish.

Most matching-funds programs are perceived by both the state and the local communities to be for promotion purposes; in fact, programs often are called "matching funds advertising". Even in Pennsylvania, where the law encourages the use of funds for planning, infrastructure development and then promotion, the TPA's have consistently used the funds exclusively for promotion. Such decisions maximize the short-term interests but do nothing to develop tourism on an overall basis.

In general, state tourism agencies do not provide any matching funds for tourism-related infrastructure development (such as ski resorts or marine-restaurant complex developments). Such developmental activities usually are referred to the state industrial development agencies which offer the traditional inducements and financial aids.

Many states do not offer tourism development facilities the same programs as industrial development. For example, industrial bonds may be available for plant facilities but not for tourism facilities. Different matching funds programs for tourism facilities development exist in states which are parts of regional commissions, such as the Upper Great Lakes,

Coastal Plains and the Appalachian Regional Commissions. In Maryland, the Business and Industrial Development Office of the former Department of Economic Development has, at times, helped tourism facilities planning with financial and technical assistance support.

Some of the data presented in Table X enable us to analyze very grossly (due to the severe limitations, discrepancies, and incompatibilities inherent in the data) the relative effort put in tourism in various states (as measured by the respective travel appropriations) and compare Maryland's position relative to other states.

The total travel budget as a percent of the total state appropriations is a measure of the relative emphasis given to tourism development. In the 1972 appropriations, the whole economic and community development effort in Maryland represented a level of about \$3.5 million of a total state appropriation of about \$1.8 billion, or about two-tenths of a percent. Even if we associate a \$1 million expenditure with tourism such a level will be no more than about five-hundredths of a percent (the actual appropriation to the Tourism Division represents 0.033 percent of the total 1972 Maryland fund).

Table X contains two measures of state emphasis which are actually related. The percent of the travel budget with respect to the total state revenue is a measure of appropriations, while the percent of the travel budget with respect to direct state expenditures is a measure of control of funds. The base for the revenue column is total funds available to the state from federal sources and all general revenue sources. This usually approximates the total state budget. The base for the expenditures column is total funds available to the State after end use appropriation (such as transfers for aid to education). This number is usually smaller than the previous base, since substantial amount of funds are expended by local government. Thus, the total State travel budget as a percent of direct state expenditures will be higher than as a percent of total state revenue (which is equivalent to total state budget). The data in Table X indicates that, on the average, state travel budgets as appropriated are less than a tenth of a percent (0.092) of the total state revenue and a little higher than one-tenth of a percent (0.1242) of the direct state

expenditures. Removing the extreme points (states with abnormally high proportional travel budgets such as Hawaii, South Dakota, Vermont and Wyoming) the averages reduce to 0.066 and 0.050 respectively, that is roughly five one-hundredths of a percent.

Maryland's relative position in this dimension at .0286 percent is at the low end of the spectrum with a group of highly "mature" states such as New York, Illinois, Minnesota, and Pennsylvania. States at the high end of the spectrum, in addition to those mentioned before, are Idaho, Oregon, Arkansas, South Carolina, Utah, Virginia and West Virginia.

Another measure of "effort" is the amount appropriated to a certain activity as a proportion of total personal income generated in a state. Such a number indicates the relative "investment" to an activity per unit measure of "wealth" (personal income generally measures the latter) - although the terms investment and wealth are not used here in the classic economic sense. The United States average for state revenue or expenditure per \$1,000 personal income is about \$176. (As a matter of interest, the figure for Maryland is \$172, very close to the U. S. average). This roughly means that, for each \$1,000 generated in a state, \$176 (\$172 for Maryland) is "invested" in state and local government activities. Using the total travel budget per \$1,000 personal income, the data in Table X indicate that the U. S. average is about 12.9 cents (about 6.3 cents when eliminating the extremes such as Hawaii, Vermont, Wyoming and Alaska). In Maryland, the "investment" in the travel budget represents 2.6 cents per \$1,000 income generated in the state. Again, Maryland's relative position is at the low end of the spectrum, together with Illinois, Minnesota, New York and Pennsylvania. The states at the high end of this scale (in addition to those mentioned as the extremes) are: Oregon, North and South Dakota, Georgia, Arkansas, South Carolina, Utah and West Virginia.

B. IMPLICATIONS OF IMPACT ANALYSIS FOR STATE ACTION

The primary purpose of the analysis of sixty tourist profiles was to establish a basis for selectivity in determining the best tourism markets. The analysis showed that, although there are differences in tourist spending patterns by region and activity, the clearest and most significant

differences are shown by classification according to sleeping accommodations. (See Table IV and V.)

1. Lodgings

a. Hotels and Motels

All tourists who stay in hotels or motels tend to spend more per day than others since, typically, they patronize restaurants and utilize a range of other services. Tourists using motels tend to include a high proportion of adults and, therefore, to have a higher expenditure pattern per person than families. The analysis leads to a rather unequivocal conclusion that the primary target of a marketing strategy should be tourists who stay in hotels or motels, whether they be conventioners, sight-seers, or others.

b. Second Homes

Vacation homes are also important economically, serving primarily families in resort areas, usually on a rental basis. Many costs, such as rental of the vacation home and automobile expenses, are pro-rated over the entire family. Food is usually purchased in grocery stores rather than restaurants. However, the family's total expenditure on vacation is substantial.

Aside from the direct tourist expenditures they generate, second homes have other economic implications to the State. A strong vacation home tourism pattern in a region means annual increases in the local tax base as new homes are built. It also means a healthy local construction industry, whose members are higher paid and less seasonal than those in many businesses serving tourists directly.

c. Campsites

Campgrounds are an increasingly important part of the tourism picture, also serving families primarily. However, although surveys show that many campers are affluent, one of the purposes of camping is economy, so typical daily expenditures of campers are low compared to tourists using other accommodations.

The trend is toward expensive recreational vehicles which require electricity, sewage and water at campgrounds. The new private campgrounds

that serve these more complex needs tend to make camping a somewhat more significant activity economically.

But, in general, camping tends to serve social needs rather than provide economic benefits. Private investments in campgrounds should be supported by the State, but camping would not seem to warrant high priority in an economic development program. Further, camping vehicles, by contributing visibly to congestion in tourist areas, represent a somewhat higher "social cost" than other tourists.

d. Day Trips

Day trips in which no overnight accommodation is used are the fourth "accommodation" category. On the average, the per-person expenditures of day-trippers are estimated to be relatively low, but there are significant exceptions. For example, expenditures by day-trippers at an attraction such as the proposed Marriott theme park in Howard County would far exceed an overall average.

Much of Maryland is within day-trip range of population centers, and the potential for day-trippers to patronize an attraction or facility can have significant effects on its financial feasibility. However, as a tourist market, day-trippers are amorphous and difficult to include effectively in strategy planning.

2. Regions

Many factors affect the selection of a region for priority in a development program. The multiplier effect of expenditures is one of these. As was pointed out in Chapter II, Section B, the Metropolitan Washington, Metropolitan Baltimore, and Lower Eastern Shore regions are of primary importance (see Table IX). The multiplier effect of each dollar spent is higher in these regions due to the large range of goods and services available (i.e., relatively less leakage out of Maryland), and the types of tourist expenditures in these regions. While there are many variations, depending on the expenditure category, the impact in the other regions is about equal. The range of the multipliers is significant. For example, in the hotel-motel expenditure category, the multiplier effect in Eastern Appalachia is 30 percent less than in Baltimore.

Although the multiplier should affect priorities and level of effort, there are many reasons not to limit a strategy only to high-impact areas. Some regions simply have less potential than other regions, but may lack other opportunities. There may be basic economic reasons that govern regional priorities, such as unemployment or a choice between tourism and industrial development. Local desires and organizational capabilities should also be weighed. Potential to attract out-of-state tourists in a region is highly insignificant economically.

Finally, a major consideration in setting regional priorities should be the extent to which total expenditures in Maryland are affected. Since total expenditures are a function of the number of days a tourist stays in the State, a program that holds a tourist longer by encouraging him to visit more regions would more than offset regional differences in multiplier effects.

These observations lead to the conclusion that if Maryland elects to become officially committed to tourism, Metropolitan Baltimore, Metropolitan Washington, and the Lower Eastern Shore should have high priority in any development strategy, but that other regions should be integrated into a total Statewide growth program. Tactical decisions will require assessment of tourism potential and the other political and economic factors suggested above.

3. Activities

In the remainder of this section we indicate new roles for the State in promoting tourism activities. In basic strategy terms, we give great weight to Maryland's water and history. Water is the sine qua non of outdoor recreation. History, if presented with a flair, is a prime motivator of sight-seers, probably the broadest market category.

The only visible limits to potential growth are possible constraints on State commitment in order to allocate funds to other goals, and a possible negative reaction by Maryland residents if tourists intrude on their own pleasures. Such constraints should be accommodated by rational planning

It has been seen that tourism is an important source of revenues and could be more important in providing funds needed to attain social goals.

A tourism development strategy that drew tourists to non-congested regions would tend to spread the economic benefits and, simultaneously, to alleviate the kind of tourist congestion that engenders a negative reaction by the local public.

a. Conventions

The State may have a considerable role to play in the development of convention facilities. Bonds are usually backed by the state; sometimes, the state plays a very active role in the development. Where these facilities have really paid their own way, they are situated in major cities that offer a wide variety of entertainment, hotels, and restaurants.

b. Outdoor Recreation

The State does not have much of a developmental role to play in most outdoor recreation pastimes, although the State could make some improvements to make them much more attractive.

If Maryland embarks on building a series of roads for area sight-seeing, then it could include bicycle paths along these roads to encourage bicycling. Perhaps in some areas, particularly the flat Eastern Shore, bicycle paths could be put in, as is the case in Europe. Hiking trails could be developed perhaps with easements across private lands. These trails could also connect sights of interest. There seems to be a desire on the part of some to leave their cars, even if not for too long and not too far away.

Golf is an exception to the general rule that the State has only a minimal development role to play in building up outdoor recreation facilities. Golf has proved to be a major attraction in some parts of the country but usually as part of a total resort development. Maryland has no major golf attraction, yet there are areas of the State that are suited to the development of outstanding golf complexes. A course on the Eastern Shore, or in the rolling terrain of the central part of the State, could be a major attraction. This sort of project would require special study to determine its market and economic feasibility. However, the State might seek to study the project and then try to find a developer, should it make sense.

There is a special segment of skiing which is becoming increasingly popular and for which much of the western part of the State is very well-suited, despite the limitations of weather and terrain. That is, cross-country or touring skiing. The economic, terrain, and snow requirements of this form of skiing are completely different from the downhill variety. Cross-country can use any terrain; it needs only a little snow and simple trails a yard or so wide. Maryland can meet these conditions almost anywhere west of Frederick. The ridges hold snow fairly well.

Cross-country skiing does not bring as many dollars into an area as downhill skiing. But cross-country trails cost less to develop than downhill skiing areas, and with smaller investment, bad weather has less serious financial consequences. Also, any trails developed for cross-country can serve as hiking or riding trails in the other seasons. And, to a certain extent, hiking or riding trails can be used for cross-country skiing, although sometimes they are too steep to negotiate easily on skis.

There has been some interest in cross-country skiing at Catoctin National Park and at Grantsville. The State should monitor those developments and extend some of the National Park trails into Cunningham State Park.

c. Beaching

Ocean beach resources are provided by nature and there is not much that can be done to augment them. However, the State does maintain them by cleaning them up and providing lifeguard services in areas specifically set up for swimming. Off the ocean, the State can do a great deal to increase the amount of beach available. Creation of reservoirs can provide completely new areas for beaches. The State has undertaken development of some small recreation reservoirs in state parks, such as in Cunningham State Park. However, the major rationale for most of these smaller projects is to provide recreation opportunities for residents, not to promote tourism.

d. Boating

The State is not currently doing everything it could do in the field of pleasure boating. There are two main areas which the State could enter into: inspection and control of boating facilities, and development of

boating facilities. In the first area, the State could inspect and approve marina facilities. State standards could be set up for the various features of marina operations and the State could then enforce these standards. The advantage of this course of action would be to ensure a minimum level of service in Maryland's marina facilities. Thus, visitors would know in advance that they were dealing with a product that met specific standards.

The second field would have Maryland actually develop facilities for pleasure boating. The State could develop marinas and operate them itself or lease them in order to provide facilities in areas which do not presently have them or have substandard facilities.

The State might also develop a string of shore state parks which would cater to people coming to them by water. These parks could provide dock space, or a launching area so that smaller boats could be brought ashore. The parks could also provide camping areas so that people with smaller boats, which cannot be slept on, could come to the park and camp. Each of these facilities would have to be studied separately, and for a specific location, to determine the economics of the venture.

Another area of development which could be pursued would be to develop additional boating territory. While the Bay is a fairly well-protected body of water, there are some rather long reaches of rough water which must be traversed to get from one area of the Bay to another. It would be possible to connect many of the river areas of the Bay with short canals to provide a sheltered passage for small boats. This would make the Bay an even more unique resource in that camping-cruising could be safely accomplished even in very small boats. These connections might make feasible a chain of shore accommodations (perhaps "boatels") so that small boats could be used for pleasure traveling, not just day trips. These facilities would be of only marginal interest to people who have larger boats, with sleeping accommodations. However, the greatest expansion of the pleasure boat fleet has been in boats from 16 to 26 feet in length. Quasi-cruising in these boats might be a substantial activity, if there were places to stay for people in the smaller of these boats.

One of the areas for the greatest expansion of boating activity is in the area of non-tidal flat water resources. Deep Creek Lake is the only Maryland lake which is extensively used for boating.

There are several large water supply reservoirs which are potential boating areas. These reservoirs, because they are water supplies, probably cannot have extensive marine facilities on them. However, water purification technology could probably allow them to be used more extensively for boating than at present - at least for sailing or rowing. Much of the economic rationale for the State in developing these reservoirs would be in keeping at home Maryland residents who presently go to other states for boating, as well as in attracting visitors from states that lack adequate facilities.

e. Sight-seeing

The State can play a considerable role in developing the coordination of sight-seeing attractions. It has made a partial start with the inventory of historical sites by Mary Carter-Roberts. The State should determine which sites it will put on the routes, since there is a tendency for local groups to promote places of limited interest to outsiders. The State should also require specific zoning and signing standards along these routes, lest their appeal be reduced through the invasion of roadside stands. In some cases, the State might have to deal with a heavy hand, but in the long run, these design standards will be crucial. Not only the historic sites would be the drawing card - the countryside would also have to be preserved.

The State could also make funds available to developers to restore some older buildings as inns or restaurants. The grants could be such as to cover the additional costs of renovation or reconstruction of older structures. These would be part of the attraction of the route, and if they were sufficiently strong attractors, then private interests will build other accommodations.

f. Fishing

The State does not have much opportunity for the expansion of fishing potential. It can stock more fish but there are some problems with that approach. The one thing it can attempt is to attract sport fishermen

to areas of Maryland where fishing is not now a major activity. For example, the State could attempt to encourage charter operators in Southern Maryland or on the Lower Eastern Shore. But to really encourage sport-fishing in these areas would probably require more than additional charter boats; a whole complex of accommodations and eating places would also be needed. However, it is very questionable whether even the total benefits derived from such a project would cover the costs.

g. Hunting

Basically, there is not much the state can do to develop hunting except see, through regulation, that there is game enough to go around. The State has less of a role to play here than with fish, since a state breeding program for most game is impractical. (Shooting tame deer is not considered sporting.) Some states and individuals raise birds for shooting. But since most of Maryland's bird shooting is of migrating water fowl, the results of a breeding program would spill over a wide area.

C. TOURISM AS A COMPONENT OF STATE ECONOMIC DEVELOPMENT STRATEGY

Our interviews throughout Maryland did not reveal widespread doubts about the value of tourism, but there are pockets of resistance. Annapolis is suffering from its popularity, with congestion in the streets and pollution in the harbor. Many residents of the Eastern Shore and Southern Maryland would seem to prefer that tourists go elsewhere, although neither region could now be considered congested with tourists.

More generally, among economists, there is considerable controversy over the value of tourism development as a tool of economic development. On the one hand, there are those who point out the benefits of any kind of development activity that stimulates economic growth in an area whose economic prospects are otherwise bleak. On the other hand, others point to the generally low quality and caliber of jobs which are created by tourism development and tourist spending as an indication that perhaps an area is not much better off as a result of tourism-induced economic activity. These are, of course, the extremes of the situation; in actual fact, whether tourism development makes sense as an economic development tool of the State is highly dependent upon a host of other factors.

TABLE XI
RELATIONSHIP BETWEEN TRAVEL VOLUME AND POPULATION
IN SELECTED STATES - 1967

<u>State</u>	<u>1967 Population (Millions)</u>	<u>Person-Trips Destination (Millions)</u>	<u>Person-Nights (Millions)</u>	<u>Ratio: Person-Nights Population</u>
Vermont	.4	1.8	9.7	24.3
Maine	.9	3.5	17.1	19.0
New Hampshire	.7	2.8	12.6	18.0
District of Columbia	.8	3.4	11.7	14.6
Virginia	4.5	7.5	31.7	7.0
Maryland	3.7	4.2	19.5	5.3
Florida	6.0	12.6	119.8	20.0

Source: Church, Donald E., "State Travel Data from National Surveys,"
U.S. Department Commerce, Bureau of the Census, 1970.

Several of these factors are: characteristics of region, type of tourism development activity, scale of development, capabilities of project management, and degree of coordination within an overall state economic strategy.

The usefulness of tourism as an economic development tool depends on the characteristics of a region or locality - that is, whether it has some assets which can be promoted as tourist attractions. Then there is a question of whether other activities and infrastructural components can support development of a tourist attraction. Another salient consideration is the type of population structure and spatial distribution as well as the industrial and commercial structure of the region, which determine what other types of development options may be available.

Assuming that a region does have some potential for tourism development, it then becomes important to consider what type of tourism development is appropriate. Clearly, some types of tourism activity (e.g. conventions) have more economic impact than other types, (e.g., fishing) in terms of short-run and long-run effects. The short-run effects of, for example, building a public park may be relatively large in terms of expenditures for construction and related planning services; however, the long-run effects in terms of employment generated and tourist expenditures may be comparatively small.

The third factor, scale of development, depends partly on the region's capabilities to support tourism development and also upon the ability to generate a "tourism plant" that provides several types of attraction which tend to concentrate tourists in one place. One need look no further than Disney World to see the positive economic effects of a well-planned, large-scale, integrated tourism complex on the Central Florida region. Nevertheless, small-scale tourist projects may have valid applications in specific situations such as alleviating small pockets of unemployment or acting as the initial catalyst for further induced investment.

Fourth, the success of tourism projects depends on how well the project is managed and, as well, upon the support that it receives from investors and from state, federal and local agencies which play some part in helping the development to get underway. Many ski resorts for example, despite heavy investment and promotion, have proven to be less than

commercially successful. In some cases, perhaps, their failure to live up to expectation was the result of faulty market forecasts. In others, no doubt, it was due to a lack of internal management capability. Conceivably, in some few cases, a lack of success may be attributed to the failure of the State to keep roads adequately plowed in winter, or perhaps to a lack of nearby lodging and restaurant facilities. On the other hand, development of a ski facility may open up an area to extensive economic development: to the opening of other ski facilities; of summer resorts; and ultimately, if there are good highway links to urban centers, to the creation of extensive second-home development with its attendant demand for construction and for other types of services, which in turn provide significant employment.

The fifth factor is perhaps in the most important in developing an effective tourism development strategy: that is, coordinating any proposed tourism project with an overall State strategy for tourism development, by region. Such coordination is necessary because of the nature of the tourism industry.

The tourism industry, as noted in Chapter I, is somewhat amorphous and difficult to pin down in a definition. However, three major components can be identified as (1) attractor facilities (e.g., beaches, public parks, game preserves, galleries, museums, theater companies, scenic attractions, ski resorts, golf centers, etc.); (2) accommodations and services (e.g., hotels, motels, trailer parks, sight-seeing busses, restaurants, gift shops, etc); and (3) infrastructure development (e.g., highways, airports, ports, etc.). (See Appendix F.) The success of any particular tourism project is at least partly dependent upon the degree of coordination among all three of these major industry components.

Further complicating the analysis of tourism as a tool for economic development is the fact that other valid social purposes may be served. For example, a demonstrable public good is obtained through the creation of a state park or through the preservation of a historical site, even though the economic impacts of such developments may be quite small. The question, perhaps, is not whether such projects deserve public funding,

but rather whether they should be evaluated according to the same criteria that are used in projects oriented principally toward financial profitability.

Finally, if Maryland adopts a determined growth policy, the State would be prudent to anticipate vocal objections by various citizen groups. As indicated in Table XI, the physical impact of tourists in other Eastern states, particularly in Vermont, Maine, New Hampshire and Florida, is much greater than in Maryland. In the states whose economies depend on tourism much more heavily than Maryland's, reaction has set in. Vociferous complaints about further development are in the news regularly. In these and other states, various forms of new legislation are being considered and enacted to protect the environment, to control land use, and to accomplish other objectives that reflect a growing concern for the "social costs" of tourism.

Maryland is already sensitive to the issues involved. Ocean City for example, is experiencing the conflict of desires for intensive growth and profits versus desires to protect the natural environment. A program of protective measures and development controls must be an integral part of any growth strategy.

IV. RECOMMENDED STRATEGY FOR TOURISM DEVELOPMENT

In the preceding chapters we have discussed the impact and potential of the various tourist types visiting Maryland and have indicated that, in general, tourists have a positive effect on the local economies of the regions and on the State as a whole. This is due to the multiplier effect, which stimulates economic activity in sectors often far removed from the tourist. These effects vary widely and are largely a function of the type of lodging being used by the tourist.

We cannot say whether tourism, as an industry, returns greater benefits to Maryland than other industries, since no comparable study for other sectors has been performed. However, we can say that tourism is economically beneficial to the State. Its benefits become clearer still when we distinguish between tourism as a part of the economic base and tourism as a social activity provided by the State or the region as an amenity primarily for its residents.

In the present Chapter we shall summarize our argument as to why the State of Maryland should adopt a formal commitment to tourism development and then outline our recommendation for a strategy aimed at commitment.

Though Maryland "formally recognizes" tourism and there is some semblance of commitment, neither the State's budget nor its form of organization indicate that the State is formally committed to tourism development. Formal commitment would require a much larger effort along the lines we propose below.

Being formally committed to tourism would be comparable to being formally committed to environmental protection. This would mean that decisions regarding other industries, highways, or general development plans would have to include formal consideration of the effect of these decisions on tourism. It would mean that Maryland would be prepared to support not only promotion of tourist activities but also promotion of tourism development. That is, the State would have to be prepared to go after both the tourist (as it presently does) and the developer of tourist attractions. In developing a strategy committing Maryland to tourism,

the State would have to take the major initiative but would also have to have the support and comparable commitment from both the public and private sectors in the regions.

A. WHY MARYLAND SHOULD BE FORMALLY COMMITTED TO TOURISM DEVELOPMENT

We recommend that Maryland formally adopt a program committing itself to growth and development of tourism in the State. The argument in support of this position rests on five fundamental points, most of which have already been made explicitly or implicitly. The points of the argument are as follows:

- The benefits generated by tourism activities in terms of sales, income, employment and tax revenues are positive and appear to be in line with those of other industries.
- The direct costs to the State of maintaining tourism appear to be covered by the tax revenues tourists generate.
- Maryland's natural, cultural, historical and physical resources, together with its geographic location in a rapidly growing market, suggest that the number of tourists visiting Maryland can be greatly increased.
- Other states with less or equal potential devote more public funding to tourism programs. In fact, Maryland's tourist budget is below the national average.
- A relatively well-developed tourism base already exists in the State, and plans are underway for expanding various tourist programs. The objectives and orientation of these activities may not be in the interests of the State as a whole. Only by becoming more involved in tourism development can the State protect the wider interests of its citizenry.

In Chapter II, Section A, we estimated that, in 1967, the average per capita daily direct costs to Maryland of providing public services to tourists was \$.36. Applying to this value a price inflator of 140%, which reflects price increases in government services from 1967 to the present, we estimate that the direct costs per tourist currently average \$.50 per

day. In Table VI, we see that the taxes generated by the various tourist types are estimated to vary from a high of \$4.82 per day for a conventioneer in Baltimore to \$.35 per day for campers involved in various types of outdoor recreation.

It would be dangerous to draw too many conclusions from this rather crude analysis, particularly since we have been unable to be very precise in estimating the average costs (for reasons explained earlier), and since we have not been able to assign variations in these costs by tourist type. Furthermore, we have not considered the numbers of each tourist type in calculating the tax revenues. For example, the total tax revenues generated by those tourists who generate more than \$.50 per day may more than offset the shortage generated by those who generate less than \$.50 tax revenues per day. Nevertheless, several points can be made with regard to the findings of this analysis. To begin with, the least tax revenues generated by our sixty different tourist types are quite close to the average daily cost (i.e., \$.35 vs. \$.50). Since we have been conservative in our calculation of benefits and generous in our estimate of costs, it is likely that the average daily per capita tourism revenues and direct government costs are closer than we have indicated. Furthermore, the tax revenues generated by a tourist staying in hotels or motels, such as a conventioneer or sight-seer, is far in excess of the average daily per capita cost, as seen in Table VII.

Another point raised by this analysis is that most of the tourists whose benefit-cost ratios in terms of State funds are marginal are those whose participation in tourist activities should be justified by socially-oriented benefits rather than economic ones, as discussed in Chapter I. If the State does become committed to tourism in a major way, it is important that this distinction be made in the programs, the funding and the criteria used for evaluation.

The socially-oriented tourism projects, such as bicycle trails, hiking, much of camping and some historical preservation, cannot and need not be justified on the basis of sales, number of jobs, or tax revenues. However, with the increase of leisure time, mobility, and

appreciation for unspoiled environment, there is an increasingly growing demand for those types of projects which may not be economically justifiable. Thus states are receiving greater pressures from their residents to support these kinds of activities. These pressures are manifested in many ways, not the least of which is implicitly exerted by corporations who ask for such amenities to be provided in areas why they locate. In fact, competition among states for corporate and plant location may even be decided on these factors. Therefore, it is certainly in Maryland's best interest to provide as much of this type of tourism as practical. While it is true that amenities intended for residents of the State often attract visitors from the outside, and thus tend to be diverted from their original objective, this is a price which must be paid for these benefits. It may be assumed that, as the country becomes more aware of this need, all states will provide adequate socially-oriented tourism activities for their indigenous populations and reduce the interstate flows of tourists of this type.

The costs to the State for non-economic but socially desirable tourism programs are greater than those for the economic ones since the former naturally do not attract private capital. Furthermore, they tend to generate little in the way of economic benefits. For example, in Table V it was seen that, on the basis of our impact measures, outdoor recreation, fishing and certain sight-seeing were among the least economically beneficial activities in the State. Without exception, campers and day trip tourists generated the least economic benefits.

By implication, however, the costs of default resulting from not developing these types of activities may be very great as people are attracted to other states that do provide these amenities. Accepting this argument, the need for being committed to a well-planned and efficiently-organized program by the State logically follows.

B. A THREE-PART DEVELOPMENT STRATEGY

One of the problems of tourist development, assuming that Maryland adopts a formal commitment to tourism, is the difficulty of channelling tourists where and when they are wanted. If an area is blessed with

favorable natural resources and market access, as Maryland is, tourism will grow without planning or intensive stimulation. The purpose of a development strategy, therefore, is to attract more of the most beneficial types of tourist and to control the development of tourism to the extent practicable.

The strategy outlined in the following pages will include reference to tactics to illustrate how the strategy might be implemented and to provide a basis for estimating costs and benefits. We stress that the tactical program elements are illustrative rather than definitive, since final programs will require a more systematic analysis of alternatives than can be covered within the scope of this study.

We propose that the State consider a three-part strategy of tourism growth. Each part addresses a critical area of development as defined in the previous analysis. The three parts of the strategy are as follows:

- Increase the operational breadth and intensity of the Division of Tourism to support the existing tourism plant and to attract private investment in new facilities in Maryland's prime tourist areas. Benefits would be based on an accelerated growth rate of tourism in Maryland.
- Institute a program of seed capital investments to attract private investment to regions where tourism does not currently make a significant contribution to the economy, but where there is significant tourism potential or where other economic ventures are not feasible. Benefits would be based on the specific economic effect of new motels¹ or other facilities in the regions, plus the general advantages of dispersing impact, alleviating congestion, and contributing to overall growth simultaneously.
- Institute a program to acquire undeveloped land and historic structures which will serve as assets on which to base future tourism growth. Benefits would be conservation, preservation, and an ability to influence future growth patterns.

¹In the discussion that follows, "motels" is used generically to mean hotels, motels, and tourist courts. The use of the word "motels" is strictly for purposes of abbreviation.

The strategy is designed to put tourism on a business basis in State policy and planning deliberations. The main thrust of the strategy is the attraction of private investment. The specific objective is private investment in hotels and motels to draw the tourists who spend the most. The strategy recognizes that the objective must be addressed on two levels, i.e., it involves a calculation of how much is needed from the State to attract investment in two kinds of investor situations. On the first level, the existing market place, the premise is that increased promotion expenditures and expanded technical services would be appropriate and enough. On the second level, opening new regions, the premise is that seed capital investments are needed to create a viable climate for investment. The third part of the program, acquisition of land and historic buildings, provides resources for the future. While the three parts of the strategy can yield synergistic effects, it is not necessary for the State to adopt all three parts in order for any one part or the whole strategy to be successful.

The proposed strategy is estimated to require the following magnitudes of annual State expenditures:

Division of Tourism Operations added to present level	\$1 million
Seed Capital Program	\$2 million
Acquisition of Resources	<u>\$1 million</u>
Total	\$4 million

1. Increase Operation Breadth and Intensity of Division of Tourism

At present, the Division of Tourism spends about \$600,000 for advertising, promotion, printing, public relations, and administration. Of the total, about \$170,000 is spent for media advertising. A plan for strengthening the State's tourism administration is presented in Section E below. An increase of \$1 million in the operation budget is seen as sufficient to add staff for research, planning, investment promotion, and the other new operational areas discussed in the plan plus expanded promotional and advertising activities. A total budget of \$1.6 million would put Maryland approximately at the relative level of Georgia, New York, Texas and Virginia, all states that are cited as "committed" to tourism in the industry analysis in Chapter III.

The main role of the new Division of Tourism would be to support and encourage private investment in tourist-serving facilities. Formal and aggressive promotion of investment in new facilities will require Statewide tourism development planning, technical assistance in determining the economic feasibility of new projects, and extensive contact among potential investors. If the State simultaneously institutes a seed capital program to attract investments in designated development areas, the program should be closely coordinated with the Division's investment planning and promotion efforts.

Assuming the effectiveness of the Tourism Division's activities is a difficult problem in Maryland as elsewhere. A \$1 million increase in the Division's budget must be justified on economic grounds, but acceptable means of measurement are not easy to establish. Rightfully, tourism volume, expenditures, and impact should be determined annually by extensive surveys. Even at very high cost, however, there is a wide margin for error in measuring effectiveness of tourism promotion and the results would most likely be arguable.

Table XII shows sales tax collections on lodgings for the ten-year period, 1963-1972. Estimated tax revenues from lodgings alone (Column 4), i.e., exclusive of food and liquor tax, totalled \$3,652,000 in 1972. Because of a 1969 change in tax rate, taxable revenues (Column 5) are more indicative of the growth of the lodging industry in Maryland. Taxable revenues increased from \$34.9 million in 1963 to \$91.3 million in 1972, averaging an impressive 11.3 percent average annual rise over the decade. Past growth has coincided with a modest promotion budget. If no change in budget levels were made, an increase of about 11.3 percent could again be anticipated in 1973.

We have assumed that the increased budget of the Division of Tourism would be derived from additional tax revenues attributable to the increased operational breadth and intensity of its activities. Using the expenditure and impact data developed for the tourist profiles, it is possible to calculate rough orders of magnitude of increased tourist volume required in motel-related activities to raise the necessary tax revenues. Table V shows that the top ten Statewide tax revenue generators developed in

TABLE XII

LODGING INDUSTRY IN MARYLAND SALES TAX COLLECTIONS
TAXABLE REVENUES AND RATE OF GROWTH
1963-1972

Year	Sales Tax Collections					Percent Growth Taxable Revenues
	(1)	(2)	(3)	(4)	(5)	
	Hotels, Motels with Food, Beer, Wine, Liquor ^{1/} (000)	Hotels, Motels Cottages, Transient Apartments ^{2/} (000)	Column (1) Adjusted to Include Lodging Rentals Only ^{3/} (000)	Total Columns (2) and (3) (000)	Taxable Revenues (000)	
1972	\$1,723	\$2,618	\$1,304	\$3,652	\$91,300	11.6
1971	1,460	2,397	876	3,273	81,825	12.3
1970	1,225 ^{4/}	2,179 ^{4/}	735	2,914	72,850	12.2
1969	854	1,470	512	1,982	64,942	12.4
1968	781	1,264	469	1,733	57,767	5.3
1967	767	1,186	460	1,646	54,867	8.8
1966	740	1,069	444	1,513	50,433	11.4
1965	678	951	407	1,358	45,267	15.4
1964	619	806	371	1,177	39,233	12.4
1963	559	712	335	1,047	34,900	12.4
						Av. 11.3

Source: Retail Sales Tax Division, Comptroller of the Treasury.

1/ Retail Classification 111

2/ Retail Classification 901

3/ Rooms revenues are 60 percent of total revenues according to survey of 200 motels and motor hotels with restaurants. Harris, Kerr, Foster, and Co., "Trends in the Hotel-Motel Business," 1971.

4/ Tax rate changed from three percent to four percent on June 1, 1969.

the impact study all stay in motels (i.e., lodging of type 1). The average total direct, indirect and induced tax revenues generated by these ten tourist types is \$2.92 per tourist night. Turning to Table IV, Part 1, we see that the average hotel/motel rates for these ten tourist types is \$11.50 per tourist night. These figures indicate that for every dollar spent by tourists on motels, the State can expect roughly \$.25 in tax revenues.¹

Therefore, to justify \$1 million in additional expenditures by the Division on a cash basis, attributable taxable revenues in motels (i.e., Column 5 in Table XII) should be increased by at least \$4 million. This increase should be in real revenues, not merely increased motel prices, for they must reflect increased tourist volume, or total tourist expenditures on all items. In 1973, gross revenues of the lodging industry are expected to be about \$100 million. Thus, in the early years of the expanded program, the new budget must account for about a four percent increase (i.e., \$4 million above the expected \$100 million), decreasing over time as volume grows. An additional four percent in the growth rate would require a jump to about 15 percent per year, which is not unrealistic based on past experience of other states with comparable potential in tourism. Put another way, the industry is now expanding by about \$10-11 million per year in taxable revenues. With an increased budget, the goal of the Tourism Division would be to increase that total by \$4 million more. The results can be monitored in the annual sales tax data.

2. Institute a Seed Capital Investment Program

The underlying premise of the proposed new capital investment program is that it will be possible for the State to invest in certain kinds of tourist attractor facilities in regions without significant tourism but with promising potential, and, by so doing, create a favorable investment situation for private motel operators. The amount of investment, kind

¹ It should be noted that the total Statewide tax revenues of \$2.92 per tourist night includes not just motel tax, but taxes generated by all expenditures of these tourists, as well as the taxes generated by the indirect and induced economic activities.

and size of facility, and location would be determined by project feasibility studies.

a. Types of Project

The kinds of projects contemplated would be oriented either to historic preservation or recreation. The scale of the projects would be in the general magnitude of \$500,000 each. A \$2 million annual budget is proposed, which would mean four new projects per year. Each new project would be expected to attract one new motel, which is assumed for planning purposes to have 100 rooms. At a capital investment cost of \$15,000 per room, private investment related to each State project would be \$1,500,000. When the program is operating successfully, each year four new motels would be added to Maryland's tourism plan. We would anticipate that local areas would vie for the State projects by development of project proposals that might include substantial local investment in preliminary planning, land or supplementary facilities.

Preservation Projects: We propose that the program allocate \$1,000,000 per year to preservation projects, or two per year. There is reason to doubt that straightforward historic preservation would generate the kind of tourist interest needed to attract a motel.

Therefore, as a tactical consideration, we suggest that the State consider establishing a network of "early-American" restaurants in historic buildings. The colonial restaurants at Williamsburg illustrate the concept. Costumes and cuisine would be founded on local history. To succeed in the overall objective, the restaurants would have to be of sufficiently good quality to draw tourists from established patterns. When a number are open, the network could be promoted as a package around which an extended sight-seeing trip through Maryland could be planned ("Visit the Inns of Maryland").

A second key to success would be efforts by local citizens and the Maryland Historical Trust to create a series of historical attractions in the vicinity of the restaurant so that several hours might be productively spent in the area. In this way, it may be possible to make a motel feasible.

Recreation Projects: The planning concept would be similar for recreation facilities. The kinds of facilities contemplated would be marinas and golf courses, both of which are in short supply in several areas of the State.

The program would be structured to provide for two recreational projects per year. Costs per project might vary from place to place, but \$500,000 per project would seem to be a useful planning figure.

Marinas are needed at several points on Chesapeake Bay to extend the boating base and to help the Bay reach its full potential as a recreation center. To offset the problem of nettles in the Bay for swimmers, the concept for marinas could be broadened to mean creation of "water parks" that would include a complex of swimming pools with the marina in a country club (rather than institutional) atmosphere. If imaginatively developed, the basis for a water-oriented resort would be established that might well have appeal not only to motel investors but also developers of condominiums and other types of second homes.

A series of State-owned golf courses in strategic locations could accomplish the same objectives. Golf course construction is increasingly costly, yet demand continues to grow. To attract resort conventions, for example, golf is essential. A State golf course might help attract high quality motels to its periphery, since the motel could charge premium rates to guests without having to bear the capital cost of the golf course. In return, the motels would provide players that would make the course self-sustaining for the State.

b. Fundamentals of Implementing a Seed Capital Program

Projects should Pay their Own Way: Any project, whether a restaurant, marina-pool complex, or golf course, should cover its costs of operations. Payment of interest on capital and generation of an operating surplus should not be anticipated since each project, by definition, would be in a pioneer situation. In each case the State might derive additional revenues by leasing land to motels adjacent to the project. In this way, public land would not be lost and the private developer could keep his original investment to a minimum.

Projects should be Developed with the Cooperation of the Private Sector: A major consideration in the program is that the State should not compete directly with existing private interests. Conversely, the State's investment must draw sufficient new tourists into an area to make new private investment viable. We do not underestimate the problems in attracting the private investment needed to justify the proposed program. A motel in a pioneer location may reasonably anticipate good business in summer, but tourists seeking overnight accommodations in other seasons may well be few. Project feasibility in the beginning may depend on location. If some midweek commercial business could be attracted in the off-season, and if get-away-from-it-all weekends could be promoted in cold weather by the comfort and ambience of the total project complex, the essential elements of economic feasibility for the prospective motel might be established. Each situation would have to be developed on its merits.

To facilitate participation of private investors, projects might be planned in concert with private developers from the outset. A joint-venture approach between the State and a major hotel group could be fruitful and accelerate the pace of the total program if such an approach could be organized in a fair way through open bidding.

c. Impacts of the Seed Capital Program

Synergistic Effects: The investment program could incorporate other projects not mentioned here. New lakes and ski areas could have dramatic effects on the tourism potential of some areas. There may be potential for a new convention center when hotel facilities begin to concentrate. The feasibility of the entire program might be enhanced by a combination of investments. For example, a marina-pool, golf course, and historic center closely situated might provide a basis for one major resort with several hundred hotel rooms that would be a core for the network of smaller complexes. Flexibility in approach would be essential, since the goal of the program is highly pragmatic.

Direct Economic Benefits: The economic impact of the proposed investment program would be significant. A \$500,000 investment by the State plus private investment of \$1.5 million in a motel would mean, at

a minimum, \$2 million in new investment in a community. The first impact would be in construction.

The critical economic benefits would be derived from the motel operation. For purposes of this analysis, we will assume that the 100-room motel will experience 65 percent annual occupancy, a rate that is about in line with resort hotels nationally and low for transient motels with restaurants. Assuming patronage mostly by tourists, the average number of guests per occupied room would be about 1.8.

To be conservative, it is assumed that the spending profile of sight-seeing tourists in Eastern Appalachia (the lowest of all profiles staying in motels as calculated in Table V) would apply at all projects. On that basis, the average motel rate per person is \$7.00 and total daily expenditures per person are \$15.00 (see Table IV, Part 1).

Using these assumptions, the total number of person-nights per 100-room motel per year is 42,705. Total expenditures at \$15.00 per day would be \$640,575. At a development rate of four new motels per year, the program would generate 170,820 person nights and \$2,562,300 in expenditures annually.

Table XIII shows projected economic impact on a regional and Statewide basis in terms of sales, income, jobs and tax revenues. Each 100-room hotel means, on a Statewide basis, about \$1.2 million in added sales, \$250,000 in income, over 60 jobs, and over \$66,000 in tax revenues. If each State project is operated on a financially self-sustaining basis as planned, the tax revenues shown would represent an annual return of 13 percent on an investment of \$500,000 (although some tax revenues would be local rather than State). If the State were able to lease land to hotels and increase its direct revenues, the financial return would be increased.

Indirect Benefits: Neither all benefits nor all costs are fully weighed here. On the benefit side, the induced investments arising from the program have not been considered. If a region went on to develop a full-scale range of attractions and services after investments in the first State project and the first motel, benefits would be multiplied.

TABLE XIII

ESTIMATED IMPACT OF MOTEL DEVELOPMENT PROGRAM
(100-Room and 400-Room Prototypes)

<u>Regional</u>	Impact Per 1,000 Tourist-Nights ¹	100 Motel Rooms (42,700 Tourist-Nights)	400 Motel Rooms (170,800 Tourist-Nights)
Sales (72 \$)	17,059.46	730,170	2,920,680
Income (72 \$)	3,389.73	144,753	579,012
Jobs (Man-Years)	1.04	44.4	177.6
Tax Revenues (72 \$)	1,292.86	55,211	220,844
<u>Statewide</u>			
Sales (72 \$)	28,068.68	1,199,870	4,805,100
Income (72 \$)	5,848.22	249,795	100,035
Jobs (Man-Years)	1.42	60.6	242.8
Tax Revenues (72 \$)	1,562.14	66,612	266,760

¹See Category E-II-1 in Table V.

Local residents would personally be able to partake of the new recreational or cultural facilities in their area, which would create social benefits. If land values were affected by the project, many would also benefit financially.

Additional Costs: The program would cost significantly more than shown if a new road or new sewers were required, for example. Marginal costs such as expanded police protection should not be significant at the modest scale of development anticipated, but they could be a factor in some cases.

3. Develop Resources for the Future

Maryland, if it adopts a strong tourism growth policy, should also plan from the beginning to insure that its natural and cultural assets will be protected and available in the future. We propose that, as an integral part of a development program, a plan to acquire undeveloped land and historic buildings be instituted. The land would essentially be held for conservation, although it would be consistent with program objectives to utilize some parcels in the development program. The historic landmarks would be preserved and also possibly integrated into the development program.

The criterion for acquisition would be intrinsic public worth, even though inaccessibility or other reasons may make utilization impractical at present. Thus, initially, this program would be justified primarily on "social" grounds rather than economic but could eventually prove to be economically beneficial as well.

The first value of an acquisition program would be tacit acknowledgment that some of the benefits of tourism development should properly be allocated to natural or cultural resources. In business terms, insuring a supply of raw materials is prudent - even if some of these are placed in inventory temporarily.

The program should be aimed primarily at providing tourism activities for State residents. Since the costs of development and maintenance of these resources will not likely be covered by the strict economic benefits (e.g., tax revenues generated by the tourists) it is important to maintain

a low profile, that is, the development of this program should not be thought of in commercial terms but should strive for other objectives.

We have proposed consideration of \$1,000,000 per year for acquisition of land or property in this part of the tourism development program. These funds would represent 25 percent of the total program as proposed, and they would be in addition to funds already dedicated to conservation and preservation by the State.

C. FUNDING THE PROGRAM

Because tourism generally is an economically productive activity, and because emphasis would primarily be on the most productive segments of the market, we believe the proposed program is justified for funding. As was indicated above, an increase in Division of Tourism expenditures would be justified by increases in tax revenues. The capital investment program would be justified by the economic benefits to be derived from new motels in strategic areas and by the self-sustaining aspect of the State projects. A program to acquire undeveloped land and historic buildings would be justified by social benefits in the same manner that current expenditures for conservation and preservation are.

Funding could be from general revenues, but we recognize the many priority demands on the State treasury. Another approach would be to introduce a new tax on tourists. In this way, those who use Maryland's travel facilities would help pay for their expansion and improvement.

1. The Lodgings Tax

The only existing tax in Maryland that applies exclusively to travelers is the four percent sales and use tax on rentals of overnight accommodations - motels, hotels, cottages, etc. All short-term accommodations are included. Taxes on restaurants sales are paid by both travelers and local residents in many cases. The same is true of taxes on gasoline and the other items travelers purchase. Tax on lodging, however, is specific in its application.

Table XII showed sales tax collections from the lodging industry for the past ten years. In 1972, collections for lodgings alone (not including the food and beverage portion of collections from motels with restaurants) were \$3,652,000. The average annual rate of growth in the lodging

industry has been 11.3 percent since 1963; at that rate, collections in 1973 will approximate \$4 million.

If the proposed \$4 million development program were to be financed in total from a new tax on accommodations, the required incremental tax rate would be four percent, or a doubling of the existing four percent rate to eight percent. If, however, the \$1 million in the program designated for Division of Tourism operations were paid from general revenues, as suggested above, the added increment could be reduced to three percent. If the \$1 million program to acquire land and buildings for conservation and preservation were paid from other sources, the added increment could be further reduced to two percent.

An increased tax rate on rooms of two to four percent is seen to be credible. In 1971, Ocean City instituted a special three percent tax on sleeping accommodations to finance additional promotion. The city collected \$523,896 in the twelve months ending June, 1972. Although there appears to have been some consumer resistance to the tax initially, the tax now seems to be generally accepted. The motel owners also apparently endorse the tax as a means of accomplishing their goal of more promotion.

2. Possible Drawbacks of an Increased Lodgings Tax

We acknowledge that there could be problems in funding the program from increased taxes on motel rooms. There is the general question of price elasticity - at which point would tourists resist staying in Maryland because of high taxes? The Ocean City experience indicates that a seven percent tax on accommodations is acceptable there.

Existing motel owners in Maryland, we assume, would support that part of the Statewide tax that would be allocated to a promotion budget increase, as they do in Ocean City. They might resist a tax designed to stimulate tourism activity and new motels in areas remote from their interests. Logic suggests, however, that a traveler with a purpose or desire to be in Maryland would not be deterred by an added four percent tax on his room. In fact, for the tourists profiled in Table IV, Part I, the additional four percent room tax would represent between 1.6 and 1.8 percent increases in their total average daily expenditures.

A real problem might be that the tax would increase difficulty in selling conventions in Baltimore. This prime segment of the tourism market should not be jeopardized. We expect that additional State support of the Baltimore Convention Bureau would be justified to offset any potential problem.

Ocean City would be a special situation. Since the tax rate there is now seven percent, it is difficult to project an additional three or four percent on top. Possibly it would be necessary for the State to negotiate with the City to establish a State tax rate in Ocean City that is the same as elsewhere but, in Ocean City's case, revenues equal to the amount the City would have received if its own tax had remained in effect would be returned. If this were done, State revenues from a four percent tax would be reduced from about \$4 million to \$3.5 million as of 1973.

All potential effects of a new accommodations tax have not been analyzed, and extensive consideration by the legislature would be required. As proposed, all revenues from the new tax would be dedicated specifically to tourism development. We appreciate that dedicated revenues create problems in administration, and that in later years it becomes difficult to modify the original legislation when circumstances change.

3. Possible Benefits of an Increased Lodgings Tax

However, there is an advantage to dedicated revenues in this case. With an appropriate informational campaign, the State can demonstrate its responsiveness to the public concern for the environment.

For example, a message could be stamped on room receipts calling attention to a new "Conservation and Preservation" tax and providing a brief explanation of its purpose. To justify such a statement, enabling legislation would have to include a specific requirement that a majority of tax collections be used for these purposes. As presently proposed, about 50 percent of the \$4 million program would be for conservation and preservation.

D. REVIEW OF EFFECTS

The purpose of each part of the proposed program is to implement a Statewide growth and development policy. Most actual tactics and projects

would be regional in scope, although much of the work of the Division of Tourism would cover the whole State.

With an expanded budget, more could be done by the Division to promote all four seasons in Maryland. Seasonality is probably the industry's most difficult problem. Interviews with tourism industry leaders throughout the State revealed other common issues. One was a desire for tourist-oriented signs at appropriate locations. If the State is divided into tourist regions, signs could be used to call attention to the region as is done in Ontario and other areas committed to tourism. The State is about to install a series of information centers that could be the central dispersal point from which tourists would follow the signs.

Most important, a program such as that proposed would enable the State to respond effectively to many of the regional problems and opportunities that exist. (See Appendix B.) Following, in brief summary, are comments on some of the relevant points made in field interviews:

1. Western Appalachia

Western Appalachia is committed to tourism development and seeks help on many projects. Some projects, such as new lakes or reservoirs, would require implementation by a combination of State and Federal agencies. But others - such as assistance to the historical society, a transportation museum, boundary development of the C&O Canal Park, sight-seeing tours, evening entertainment - would be consistent with the objectives of the proposed program.

Western Appalachia looks to tourism to relieve its economic problems. The Region has a basis for tourism in all seasons, which justifies special promotional support. Furthermore, the Region has ample resources for the future; relatively large amounts of land could be acquired now while prices are reasonable.

2. Eastern Appalachia

Tourism in Eastern Appalachia is relatively less developed than some other areas, but traffic trends and a range of attractions would appear to offer good potential. One problem is that historical attractions, which are among the major assets of the Region, are scattered and difficult to organize for tourists. Sharpsburg is seen as a historic center. This

situation would seem to offer the kind of opportunity desired for the State to make strategic investments in a historic restaurant or a golf course to help attract the motels that would represent solid tourism impact.

Technical Assistance from the Division of Tourism could be provided to help design and package local tours. A comprehensive signing program would be helpful. The Region seems to be particularly appropriate for demonstration projects to establish a basis for future tourism development.

3. Metropolitan Washington

Because of the relatively intensive development in the Metropolitan Washington area, we would expect that the most valued help from the State would be promotion support rather than capital investment. There is a need for campgrounds around Washington, and the area-wide sewer problem restricts motel development, but generally tourism in the Region appears to be healthy.

However, there is much that could be done by the Division of Tourism. A Maryland travel information office is needed in Washington. Tapping the D. C. visitor market for sight-seeing tours in Maryland is a specific opportunity. Consumer research projects might be initiated to help plan a specific strategy to maximize benefits in this area. As noted elsewhere the motel-oriented tourism found in Metropolitan Washington is most significant in calculations of total Statewide tourism impact.

4. Metropolitan Baltimore

The scale of opportunities for increased tourism impact in Baltimore is rather larger than in many areas, and we would expect that any development plan would emphasize the City. The new Inner Harbor development is a specific opportunity to put Baltimore on the tourist map.

Increased support for the Convention and Visitors Council, especially if a new rooms tax is established, would be advisable. Baltimore's conventions are the single most important category of tourism in Maryland in terms of economic impact per tourist.

Major questions such as a future use for Aberdeen and Edgewood will require coordinated efforts by many agencies. Relatively smaller projects

such as historic preservation projects in Westminster, would be highly appropriate for implementation within the scope of the proposed program.

Even though tourism in Baltimore is an incidental activity in the City's economy, Baltimore tourism is very significant in the Statewide tourism picture. Concerted new efforts at local and State levels could be highly productive.

5. Southern Maryland

Southern Maryland is in effect a prototype region for the kind of development program that has been discussed. Interviews with tourism leaders there indicate a general desire to attract more affluent tourists, which is totally consistent with the conclusions of this study. They state a need for new public golf courses, good restaurants, marinas, and motels at points beyond the day trip range of Washington and Baltimore. St. Mary's City is a major historic center upon which to build impact-producing tourist facilities.

All of these goals are within the parameters of the program as proposed. With an aggressive growth policy, the major issue would be selection of priorities for early implementation.

6. Upper Eastern Shore

The Upper Eastern Shore is acknowledged to have interesting tourism potential, but, to date, little has been done to develop it. The residents of the area characteristically tend to resist change of any sort in the character of the area.

However, the pressure of urbanization across the Bay and the new bridge will undoubtedly bring change. Local leaders are now concerned that steps be taken to control future growth. Attention is being given zoning, scenic easements, and historic districts, all of which are sophisticated questions that could benefit from technical assistance from the Division of Tourism.

There are marinas in the Region, but local motels are generally not oriented to boating and recreation. Historic attractions are scattered and in many cases unavailable to the public. Private ownership of land reduces the economic potential of hunting ducks and geese.

A State land acquisition program coordinated with seed capital investments in recreational projects might establish a viable basis for multiple-season resorts geared to boating, hunting, sight-seeing and possibly conventions. Such a project would help provide jobs for local people who need them, and it need not diminish the natural appeal of the Region.

7. Lower Eastern Shore

To tourism planners, the Lower Eastern Shore means essentially Ocean City and Assateague, but the Region appears to have considerably more potential than just these outstanding attractions. The Chesapeake Bay is rather remote from markets in the Region.

The lower part of the Bay as noted in Appendix B, is a place to sail "to" rather than "from." Residents state a need for new marinas on the Bay and for overnight facilities to help the area become a resort destination. State investments could provide a basis for such development.

There is also great potential west of Assawoman Bay, back of Ocean City, where visitors would be close to the ocean but not confined to the limits of the outer bank. A State-financed golf complex might make feasible motels and second home communities in this secondary area. The new Bay bridge and an improved Route 50 should provide impetus to a large number of private developers, and congestion would seem to be inevitable in Ocean City itself.

State and local efforts to divert tourists to other attractive but not yet prime areas in the region would represent a local manifestation of the major goals of the proposed Statewide program.

E. FUNCTIONAL STRUCTURE FOR TOURISM DEVELOPMENT

The functional organization discussed below is the logical representation of a centralized tourism development effort and is the result of rational synthesis of tourism work elements and components of current state tourism agencies.

The organization, as shown in Figure 3, represents a recommendation for tying together the activities conducted by the State and related to

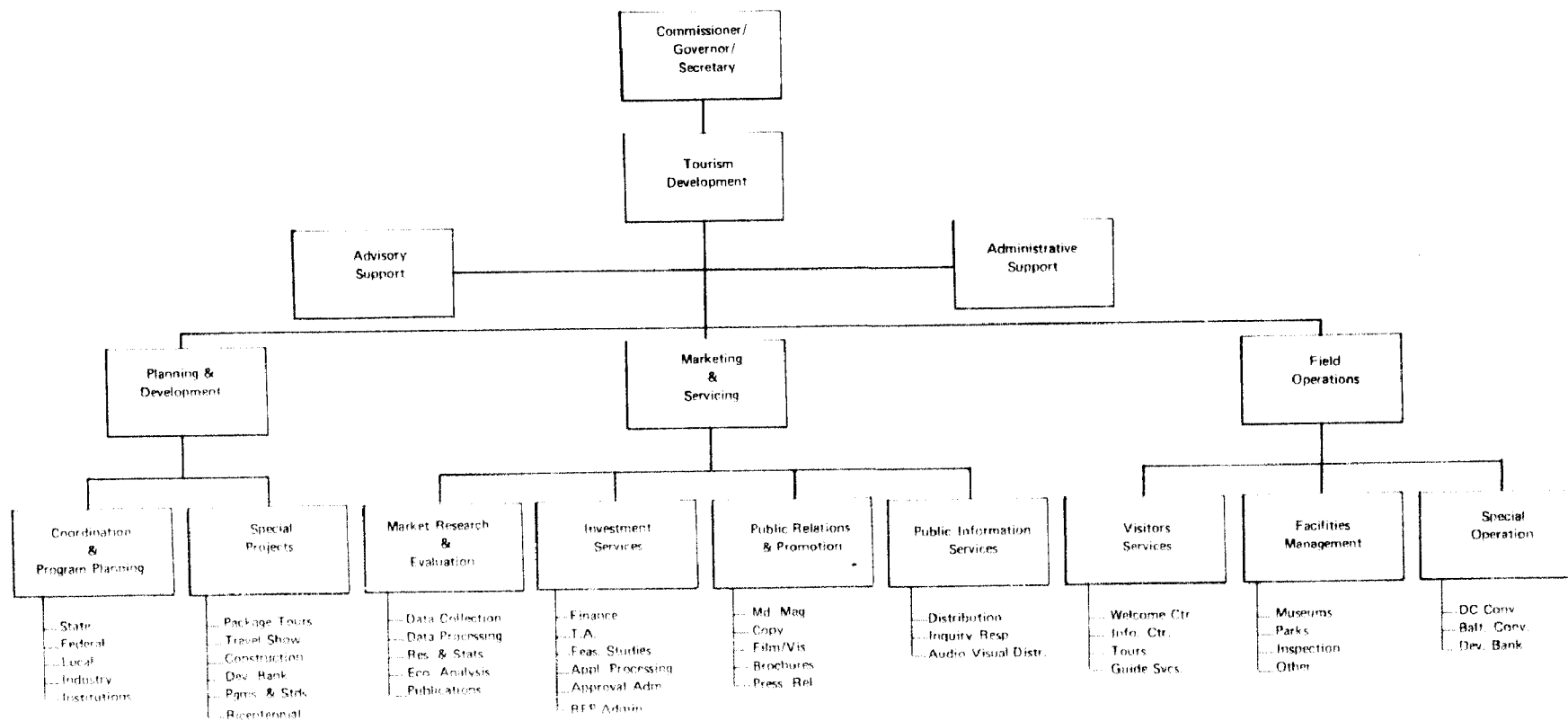


FIGURE 3 FUNCTIONAL ORGANIZATION FOR TOURISM DEVELOPMENT

tourism. The structure is, in fact, similar to the former Economic Development Department. At a minimum, it is a format for organizing work centers and reporting along the lines shown; at most, it is a formal organization with responsibility centers. That is, it is possible to classify the work (or most of it) and report progress along the lines shown, with the current administration. Alternatively, the administration could be expanded and altered to suit the task structure. At least, annual written reports should be made describing progress on each of the basic responsibility areas. If no effort was spent in an area of concern, it should so be reported. Such a formal work progress description requirement will crystalize program areas requiring more attention and it will serve as a basis for continuous monitoring of work.

The tourism development activity has been organized along business lines; any business activity consists of three basic functions: planning and development (assessment of markets, forecasting, product development), manufacturing (the "making" of the product), and sales (the "packaging" of the product, advertising, customer service, market intelligence, etc.). All of these functions are finally coordinated by the executive office supported by central services and an executive committee.

Many of the functions shown currently exist under the Division of Economic Development. If a commitment to tourism is to be made, then the independent existence of these functional categories may be warranted. What we suggest as a minimum is firm organization to utilize the State facilities in a coordinated fashion in matters concerning tourism. While much of the initiative other than promotion now remains fragmented within the Division, it is suggested that the initiative be coordinated while the work remain fragmented.

The structure is as follows.

1. Planning and Development

A planning and development section concerns itself with tourism concept development, continuous contact with the various tourism participants, and pilot programs. This function is similar to the corporate planning activity in a large corporation. It is not a "production" activity. It

is the incubator where ideas are formed, formalized, initiated, and perhaps tested out.

For example, if a tourist guide service is conceptualized, its feasibility and practicability should be checked out and a special project to develop the details should be created, funded and monitored. Once the idea becomes operational, then it becomes a regular service under the control of some section of field operations.

Another example may be the creation of a Development Bank (they exist in some foreign countries) to finance tourism development projects. It will first be made operational as a special project and then will operate independently as a field operation. The Division of Tourism currently performs this function informally. It coordinates with the various participants through MATE, although the success of coordinating with other state agencies is questionable.

2. Marketing and Servicing

A marketing and servicing section roughly combines the functions of the "creative" and "research" departments of an advertising agency and the marketing and public relations functions of a service organization. This is a production activity to the extent that some service must be regularly offered or product developed. For example, the Market Research and Evaluation Unit will continuously produce reports and evaluations of ongoing activities with the use of which new decisions can be made.

The Investment Services Unit will "service" all prospective "developers" (not the general public and not for tourism activity information), whether it develops the information itself or whether it seeks it from other state agencies. This will be the one-stop agency for persons with questions related to tourism infrastructure development. Its functions could include getting information about financing schemes; arranging (or conducting) a feasibility study for a marina investor; assessing the potential of rural town; recommending that such a rural town first develop sewage facilities and finding it state or federal funds to undertake such a project; processing through the state bureaucracy all the necessary

approvals for a ski resort development; or administering requests for proposal on how to imaginatively develop, on a lease basis, a certain tourism development project in a designated State area. Such an Investment Services Unit, if created, could also be the unit to decide whether a loan applicant's project met the Tourism Division's standards and policies and whether the project should be supported for financial consideration by the Special Projects Development Bank.

The Public Relations and Promotion Unit is the "creative" and "P. R." analogue of the private sector and it is a production unit in the sense that it has the day-to-day activities of producing reports, "winning and dining" writers, generating public releases, etc.

The Public Information Services Unit is the "service" arm of the public relations activity. It performs all the routine "customer service" type of work, such as distribution of literature and inquiry response.

3. Field Operations

Field operations comprise all operations which do not require policy or decision-making, but are routine and of repetitive nature. This is equivalent to "plant operation" in the business analogue. The Visitors Services Unit in effect "services" the tourist; the Facilities Management Unit manages facilities used by the tourist; and the Special Operations Unit operates more complex operations requiring some decision-making. The Ocean City Convention Hall operation, for example, is not a mechanical operation; in fact, its management is responsible for a profit-and-loss statement (but so are some plants in decentralized industries which are given the authority to decide their distribution activity).

The modularity of this functional organization should be apparent. Such an organization can be applied from the lowest to the highest level in tourism development activity; a county effort (with different levels of intensity and levels of participants) can be organized along these lines as well as a state tourism department. Similarly, because it is functionally oriented, the organization is independent of whether the tourism division is combined with an Economic Development Department or Resource Management Department.

F. COOPERATION WITH PRIVATE SECTOR AND LOCAL COMMUNITIES

The programs we have just recommended for committing Maryland to tourism represent necessary but not sufficient conditions for successful tourism development in the State. Tourism can only succeed on a large scale in Maryland if, in addition to these programs, there is visible and effective cooperation and coordination between the State, the private sector and local communities. To our knowledge, there has been little of this in the past.

The strategy we have recommended is based on the principle that the State government should take the initial step and should create a favorable environment for tourism development--but only if the private sector and local communities indicate very clearly that they will follow the State's initiative with their own. This assigns the State the role of catalyst, stimulating private investment and evoking initiative from local communities. It also gives the State the opportunity to influence the direction of tourism development toward the most desirable areas for the State.

The programs we have recommended are intended to provide the State with a means of influencing the private sector and the local communities. However, the latter groups must be committed to tourism development also. Thus, we strongly urge that the State adopt the programs recommended in this study only if it receives a positive indication from local private and civic groups, who would benefit from the \$4 million expenditures, that they too would be committed to tourism development and would be willing to participate in a joint effort with the State.

Local participation could be financial--in the form of cash or contribution of land and appropriate infrastructure--or in services, primarily the time and effort of individuals and groups. Local communities could also indicate their commitment to tourism through adoption of zoning favorable to tourism development.

Development plans and project proposals originating locally for State participation should receive highest priority by the State, although the State must retain flexibility in final decisions to preclude development of random projects that do not coincide with State objectives. In many cases the objective of joint state-community-private sector efforts would be to expand the scale of a project to increase potential impact. If, for example, the State were to invest in a marina, the local county might build a golf course or other recreational facilities and private investors might build a motel and restaurant. Any one of the elements in the complex might have marginal prospects alone, but together they might attain appropriate scale for success.

Cooperation and coordination are difficult to achieve without an effective organization to ensure it. The recommended state tourism organization discussed in Section E would serve to fulfill this role in large part. If this suggested State organization were strong and influential, the private sector and local communities would recognize that it was in their own best interests to coordinate and cooperate with the State.

An intermediary organization representing the private sector and local communities and providing them the chance to coordinate and cooperate among themselves may be necessary. In part, this function is served through MATE (Maryland Association of Travel Executives), which was organized several years ago by the Division of Tourism. MATE is composed of a number of travel industry executives and has a wide representation from State and local agencies. In general, tourism is well represented in the group; its membership is well distributed throughout the State. MATE is not formally organized; it has no budget or staff. The Association serves primarily as a forum for presenting ideas on tourism trends and problems in the State.

It is not clear whether this group should become more formally organized with an executive secretary and staff to serve as the mechanism for guaranteeing more formal cooperation and coordination. Arguments have

been presented for and against a move to make MATE a more formal organization. Those who argue for the move cite the fact that the group consists of many of the people who are the most influential and interested in tourism activities in the State. Furthermore, the group is already well established and could therefore quite readily make the transition to a more formal organization.

Those against the idea of MATE's adopting a formal role in coordinating promotion, regulation and development in Maryland's tourism argue that MATE would lose its meaning if it was given more formal structure and more explicit objectives. They also note the unsuccessful attempt made by the now-defunct Maryland Travel Council.

The question of whether or not MATE should be restructured and take the authority to coordinate with the State must be decided on by MATE and the State jointly. Although the State would have to take most of the early initiative to set up this organization and cover some of the costs of staffing it, the members of the organization would have to be responsible for its operation and would have to pay for its staff.

The organization we recommend should have broad membership and be designed especially to develop tourism in Maryland in cooperation with an expanded State organization. It should have a full-time staff, initially one or two people, whose major functions are to coordinate the efforts of the State and local communities--primarily in public relations programs. The programs of this organization should have objectives consistent with those of the State's programs but should try to capitalize on opportunities that fall outside the State's programs. In this way the two sets of efforts can have synergistic effects. The following are examples of some of the areas in which systematic coordination may be most beneficial to both parties:

- Promotion. The organization should coordinate regional promotion, including distribution of printed material and posting of signs, with the State's efforts. A promotion strategy should be designed which divides the roles of the

State and local interest groups in their promotional efforts and which draws on the comparative advantages of the various regions.

- Promotion follow-up. The organization should perform aggressive and coordinated follow-up to inquiries generated by the State's increased advertising and marketing program. This will also require that local groups are prepared beforehand with information.
- Marketing. The organization should prepare a marketing program addressed to Maryland residents to encourage local tourism that would complement the State's effort to draw out-of-State tourists.

In addition to these functions, the organization's full-time staff should also have the capability to:

- Assist and encourage the design and implementation of programs for vocational and management training in cooperation with local and State educational institutions;
- Participate in a broad-based program for environmental protection which could range from litter prevention to protection of prime areas from non-compatible uses to advice to the State on acquisition of land for conservation; and
- Encourage development of research capability with the private and local sectors to complement the State's work, in such situations as preparing proposals to the State for project investments.

MATE has, in the past, requested additional efforts by the State to support tourism. If, as a result of this and other analyses of potential benefits, the State considers proceeding with what could be one of the most imaginative and aggressive State programs in the country, MATE could justify new levels of effort on their part, and the State should expect such efforts. As a trial, MATE could begin by hiring a very small staff,

perhaps one person whose function would be primarily related to coordination of promotional efforts. If this proved successful, the staff could be expanded to handle more of the functions listed above.

In summary, Maryland could have one of the most successful tourism programs in the country. However, if imaginative and aggressive actions to develop tourism are limited to the State government alone, their effects will be only a fraction of what could be achieved by a well-coordinated joint program with private and local interests. We, therefore, recommend that the private sector and the local communities study the potential benefits tourism has for them and join the State in being committed to tourism development in Maryland.

TOURISM IN MARYLAND:
ANALYSIS AND RECOMMENDATIONS

TECHNICAL APPENDICES

Report to

Maryland Department of
Economic and Community
Development

October 1972

74472

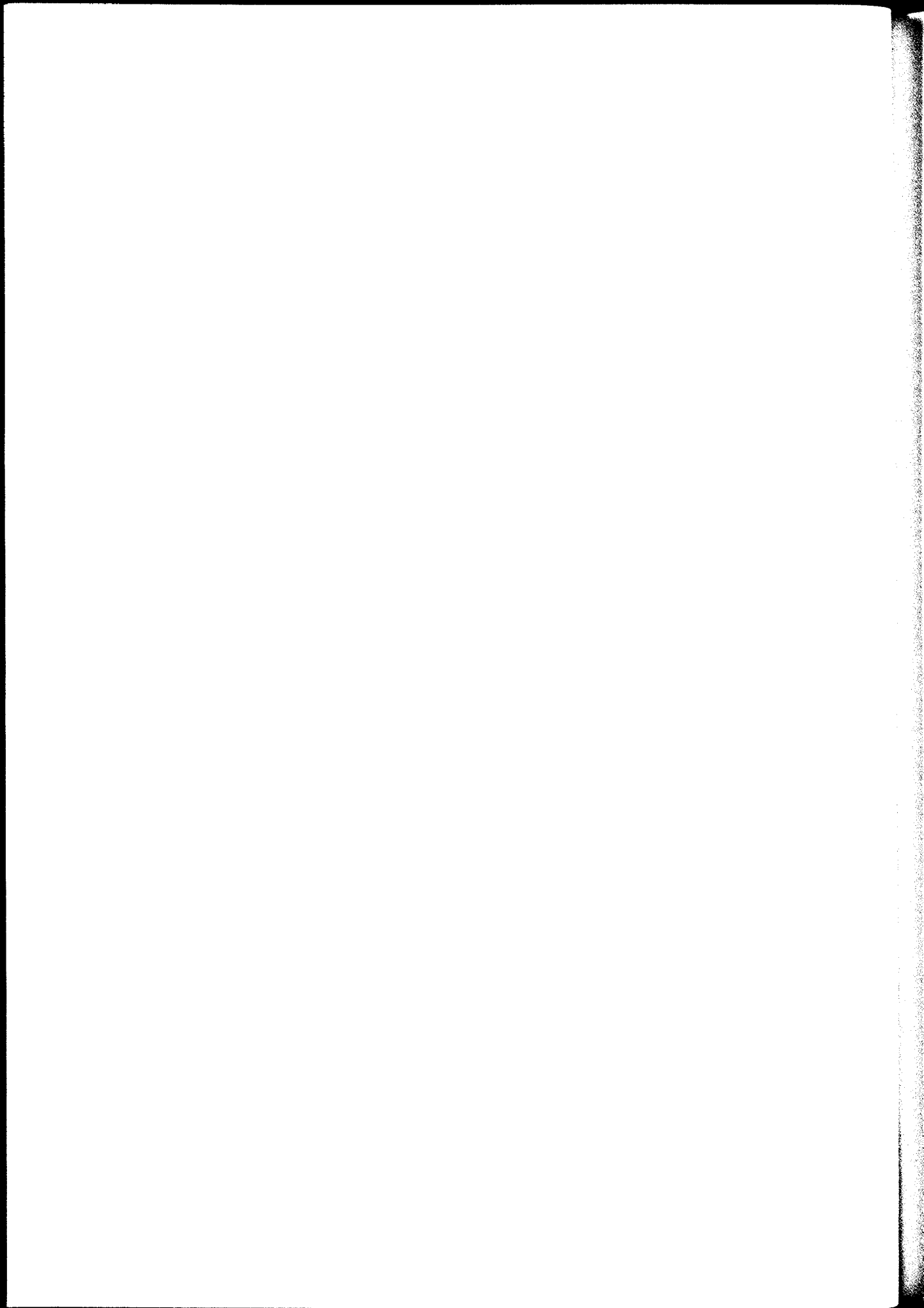
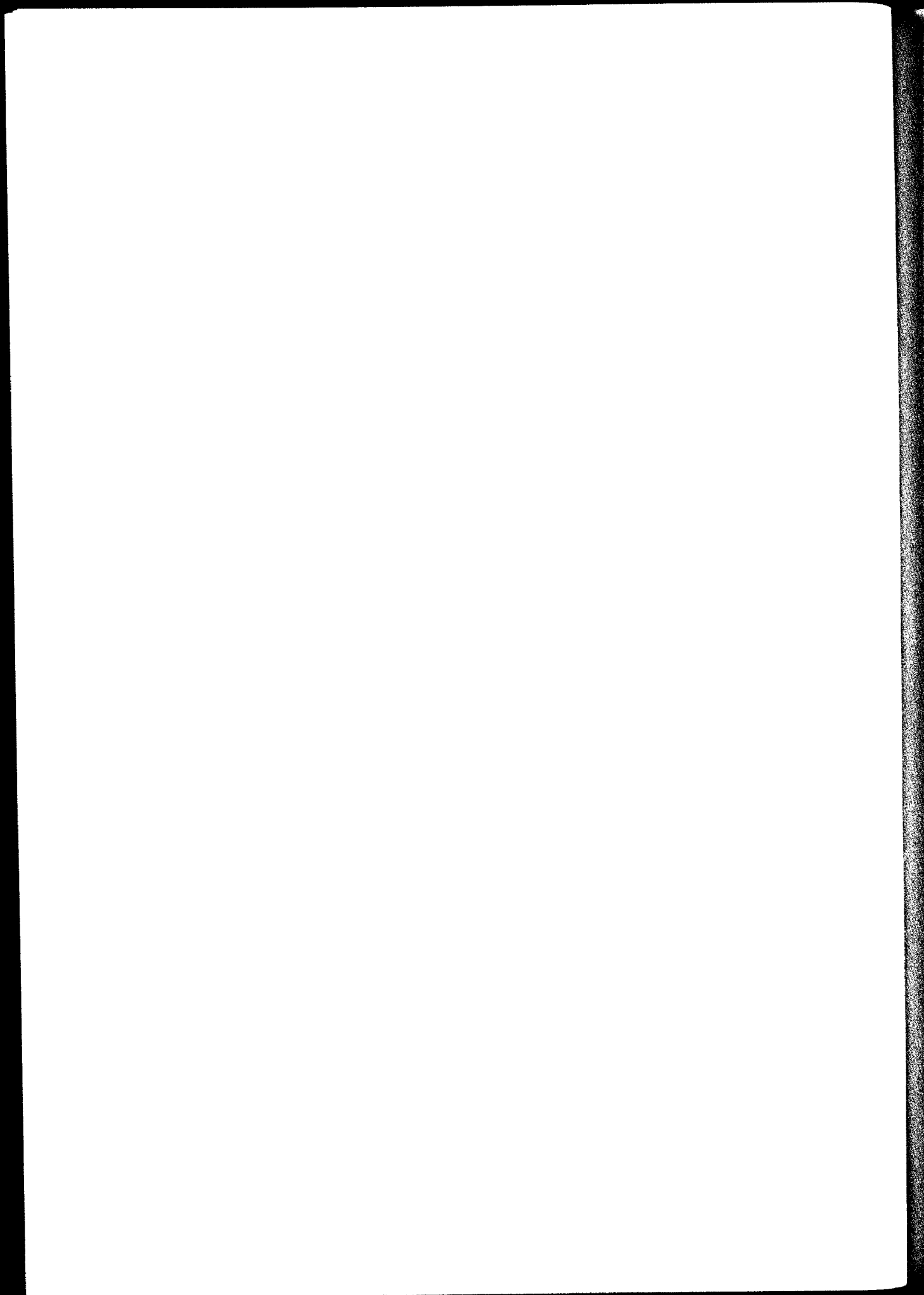


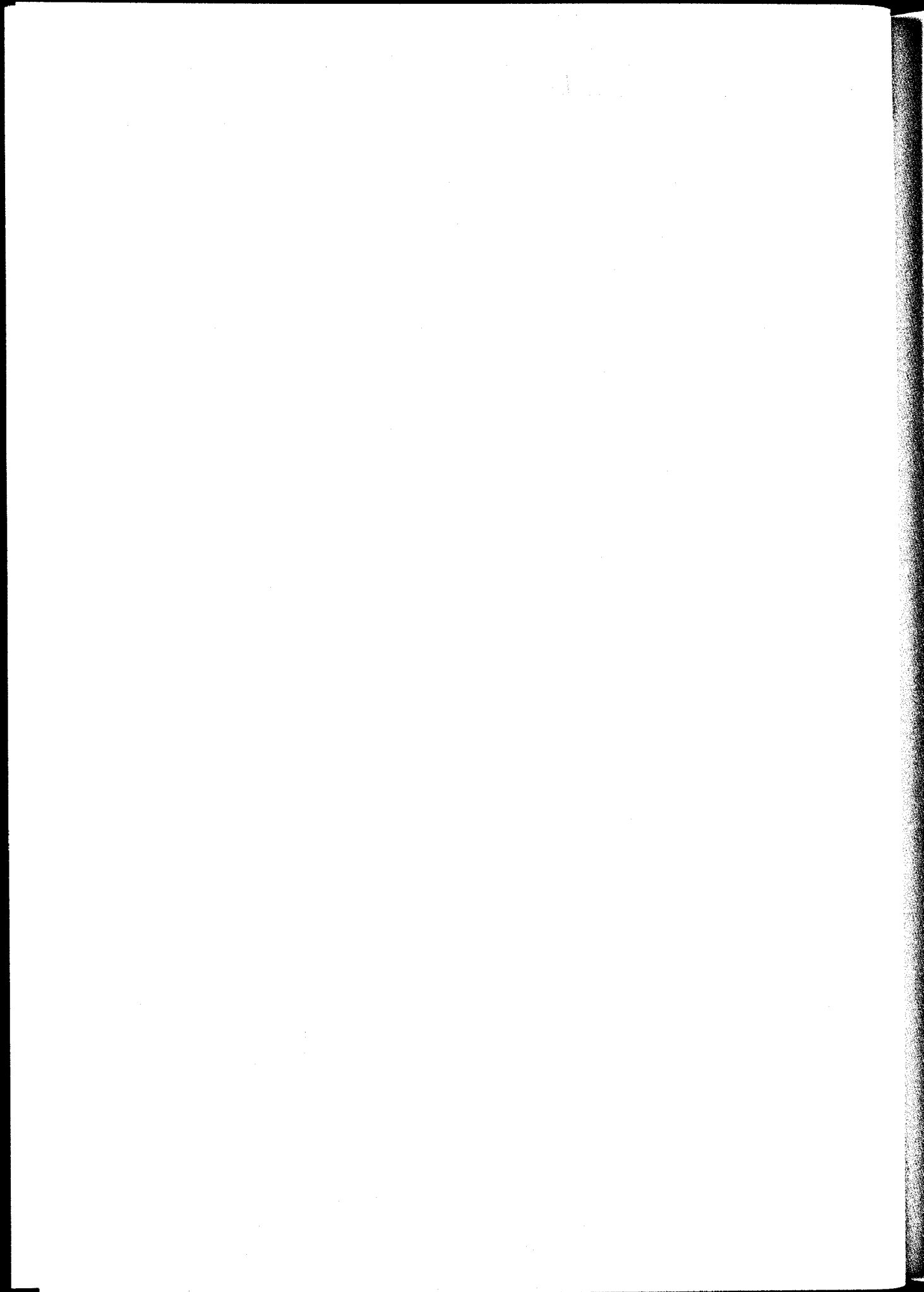
TABLE OF CONTENTS

APPENDIX A	TOURIST PROFILES
APPENDIX B	REGIONAL PROFILES
APPENDIX C	THE MARYLAND TOURISM ECONOMIC IMPACT MODEL: A DESCRIPTION OF THE MODEL AND ITS RESULTS
APPENDIX D	TECHNICAL DESCRIPTION OF THE MARYLAND TOURISM ECONOMIC IMPACT MODEL
APPENDIX E	COMPARATIVE ASSESSMENT OF CURRENT STATE TOURISM ACTIVITIES
APPENDIX F	TAXONOMY OF THE TOURISM INDUSTRY



APPENDIX A

TOURIST PROFILES



APPENDIX A

TOURIST PROFILES

TABLE OF CONTENTS

	<u>Page</u>
Introduction	
Conventions - Washington Metropolitan - Hotel/Motel (A-III-1) . . .	A-1
Conventions - Baltimore Metropolitan - Hotel/Motel (A-IV-1) . . .	A-3
Conventions - Lower Eastern Shore - Hotel/Motel (A-VII-1) . . .	A-5
Outdoor Recreation - Western Appalachia - Second Homes (B-I-2) . .	A-7
Outdoor Recreation - Western Appalachia - Day Trips (B-I-3) . . .	A-9
Outdoor Recreation - Western Appalachia - Campsites (B-I-4) . . .	A-11
Outdoor Recreation - Eastern Appalachia - Day Trips (B-II-3) . . .	A-13
Outdoor Recreation - Eastern Appalachia - Campsites (B-II-4) . . .	A-15
Outdoor Recreation - Southern Maryland - Day Trips (B-V-3) . . .	A-17
Outdoor Recreation - Southern Maryland - Campsites (B-V-4) . . .	A-19
Beaching - Western Appalachia - Second Homes (C-I-2)	A-21
Beaching - Western Appalachia - Day Trips (C-I-3)	A-23
Beaching - Western Appalachia - Campsites (C-I-4)	A-25
Beaching - Southern Maryland - Day Trips (C-V-3)	A-27
Beaching - Southern Maryland - Campsites (C-V-4)	A-29
Beaching - Upper Eastern Shore - Day Trips (C-VI-3)	A-31
Beaching - Upper Eastern Shore - Campsites (C-VI-4)	A-33
Beaching - Lower Eastern Shore - Hotel/Motel (C-VI-1)	A-35
Beaching - Lower Eastern Shore - Second Homes (C-VI-2)	A-37
Beaching - Lower Eastern Shore - Day Trips (C-VI-3)	A-39
Beaching - Lower Eastern Shore - Campsites (C-VI-4)	A-41
Boating - Western Appalachia - Second Homes (D-I-2)	A-43
Boating - Western Appalachia - Day Trips (D-I-3)	A-45
Boating - Western Appalachia - Campsites (D-I-4)	A-47
Boating - Southern Maryland - Day Trips (D-V-3)	A-49

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
Boating - Southern Maryland - Campsites (D-V-4)	A-51
Boating - Upper Eastern Shore - Second Homes (D-VI-2)	A-53
Boating - Upper Eastern Shore - Day Trips (D-VI-3)	A-55
Boating - Lower Eastern Shore - Hotel/Motel (D-VII-1)	A-57
Boating - Lower Eastern Shore - Second Homes (D-VII-2)	A-59
Boating - Lower Eastern Shore - Day Trips (D-VII-3)	A-61
Boating - Lower Eastern Shore - Campsites (D-VII-4)	A-63
Sightseeing - Eastern Appalachia - Hotel/Motel (E-II-1)	A-65
Sightseeing - Eastern Appalachia - Day Trips (E-II-3)	A-67
Sightseeing - Washington Metropolitan - Hotel/Motel (E-III-1)	A-69
Sightseeing - Baltimore Metropolitan - Hotel/Motel (E-VI-1)	A-71
Sightseeing - Baltimore Metropolitan - Day Trips (E-VI-3)	A-73
Sightseeing - Southern Maryland - Day Trips (E-V-3)	A-75
Fishing - Western Appalachia - Second Homes (F-I-2)	A-77
Fishing - Western Appalachia - Campsites (F-I-4)	A-79
Fishing - Eastern Appalachia - Campsites (F-II-4)	A-81
Fishing - Baltimore Metropolitan - Day Trips (F-IV-3)	A-83
Fishing - Baltimore Metropolitan - Campsites (F-IV-4)	A-85
Fishing - Southern Maryland - Day Trips (F-V-3)	A-87
Fishing - Southern Maryland - Campsites (F-V-4)	A-89
Fishing - Upper Eastern Shore - Day Trips (F-VI-3)	A-91
Fishing - Upper Eastern Shore - Campsites (F-VI-4)	A-93
Fishing - Lower Eastern Shore - Hotel/Motel (F-VII-1)	A-95
Fishing - Lower Eastern Shore - Second Homes (F-VII-2)	A-97
Fishing - Lower Eastern Shore - Day Trips (F-VII-3)	A-99
Fishing - Lower Eastern Shore - Campsites (F-VII-4)	A-101
Hunting - Western Appalachia - Second Homes (G-I-2)	A-103
Hunting - Western Appalachia - Campsites (G-I-4)	A-105
Hunting - Eastern Appalachia - Campsites (G-II-4)	A-107

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
Hunting - Southern Maryland - Campsites (G-V-4)	A-109
Hunting - Upper Eastern Shore - Hotel/Motel (G-VI-1)	A-111
Hunting - Upper Eastern Shore - Second Homes (G-VI-2)	A-113
Hunting - Upper Eastern Shore - Day Trips (G-VI-3)	A-115
Hunting - Upper Eastern Shore - Campsites (G-VI-4)	A-117
Hunting - Lower Eastern Shore - Campsites (G-VII-4)	A-119

INTRODUCTION

The problems in determining actual tourist expenditures are well known. Some states and industry sectors attempt, at considerable expense, to establish expenditure patterns by direct interviews with tourists, at which time the tourist is asked to recall what he has spent during a particular period of time or in a particular area while traveling. It is obviously difficult for the tourist to remember accurately. Items that were charged on credit cards can easily be overlooked. Personal purchases not directly related to the trip might be excluded. Some tourists might tend to exaggerate.

The travel industry is now giving major attention to a "unit cost" approach to estimating expenditures in which informed judgment will be the primary determinant. Discover America Travel Organization (DATO) is currently setting up a Data Center that will be charged with responsibility to develop standardized unit-cost data on tourism expenditure items. These data will then be applied to the estimates of travel volume in the United States now being developed by the Bureau of the Census in their 1972 National Travel Survey. As now anticipated, the DATO unit-costs will represent a consolidation of judgmental estimates provided by the travel industry, (e.g., estimates of motel expenditures from the American Hotel-Motel Association and hotel accounting firms, estimates of restaurant expenditures from the National Restaurant Association, etc.). A range of unit-cost estimates will be developed to match the breakdown of characteristics of travelers shown in the National Travel Survey,

such as income, purpose of trip, size of party, etc. These unit-cost data are expected to be available when the 1972 National Travel Survey is published in late 1973.

The tourist profiles for Maryland represent a unit-cost approach, although reference was made to other studies, notably the 1969 Virginia Travel Survey, which utilized the recall approach. The Virginia Highway Department provided us with computer tapes including data on over 20,000 interviews with travelers for pleasure in Virginia. We were able to then tabulate these data according to our particular areas of interest. Other secondary data included "Convention Delegate Expenditures", a 1966 survey by the International Association of Convention Bureaus, a report to the Maryland General Assembly of 1971 that included an analysis of the Ocean City Convention Hall operation and "A Proposed Model for Estimating and Analyzing Travel Expenditures", a 1968 report by Donald E. Church, Chief of the Transportation Section of the Bureau of the Census.

Most of the secondary sources that were reviewed were based on work done in the late 1960's. Unit-cost estimates for the tourist profiles in this Appendix generally run significantly higher than the source data to allow for the overall inflation that has been experienced since that time and also for changes in price structures in the tourist-serving industry to cover more extensive amenities and services. The private campground industry, for example, was in its infancy in the 1960's. It is now changing dramatically toward more elaborate facilities and higher prices. Motels cost much more to build now and more to operate, factors

that force rates higher. Second homes and condominiums are in a new boom that is further inflating land values in resort areas such as Ocean City, and causing continual increases in rental charges. The estimated expenditures shown in the profiles reflect a general high cost of travel regardless of activity, region, or type of accommodation.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Conventions	Wash. Metro.	Hotel/Motel
	A	III	1

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>16.00</u>
	2. camping areas	<u>-</u>
	3. rental homes	<u>-</u>
B. Food and Beverage:	4. food stores	<u>-</u>
	5. eating and drinking places	<u>14.00</u>
	6. liquor stores	<u>-</u>
C. Transportation:	7. gas stations and repairs	<u>3.00</u>
	8. local transportation	<u>-</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>-</u>
D. Other:	12. communication	<u>1.00</u>
	13. miscellaneous retail stores	<u>1.00</u>
	14. personal services	<u>1.00</u>
	15. miscellaneous business services	<u>1.00</u>
	16. amusement and recreation	<u>1.00</u>

TOTAL..... \$38.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	2.85	3.97
Income (1972 \$)	\$11,709.67	\$18,217.27
Sales (1972 \$)	50,478.44	72,848.84
Tax Revenues (1972 \$)	3,080.74	3,740.64

III. CHARACTERISTICS

Seasonality: Washington as a major convention center has a high convention business throughout the year, but most especially in the winter and spring.

Origin: The major portion of conventions are from outside the Washington Metropolitan area.

Average Length of Stay: National and international - 4.24 days
State and regional - 2.87 days
Overall - 3.93 days

Variability in Data: A variance of \pm 4-5% could be expected in our figures on conventioner spending in the Washington area.*

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The three convention tourist profiles are based on a national survey report of convention delegate expenditures undertaken by the International Association of Convention Bureaus (IACB). The base figures are from the last available report (1966) and have been updated by the appropriate percentage increase in the Consumer Price Index. Further refinement of the figures produced variances among the three profiles which, we believe, reflect the different spending patterns of conventioners in the Washington, Baltimore, and Ocean City area.

*Variances in the average convention delegate expenditures are a function of the make-up of the convention business. The variance for national/international expenditures is 3-4 percent; for state/regional expenditures 10-15 percent.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Conventions	Balt. Metro.	Hotel/Motel
	A	IV	1

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>17.00</u>
	2. camping areas	<u>-</u>
	3. rental homes	<u>-</u>
B. Food and Beverage:	4. food stores	<u>-</u>
	5. eating and drinking places	<u>15.00</u>
	6. liquor stores	<u>-</u>
C. Transportation:	7. gas stations and repairs	<u>3.00</u>
	8. local transportation	<u>2.00</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>1.00</u>
D. Other:	12. communication	<u>1.00</u>
	13. miscellaneous retail stores	<u>6.00</u>
	14. personal services	<u>1.00</u>
	15. miscellaneous business services	<u>1.00</u>
	16. amusement and recreation	<u>3.00</u>
	TOTAL.....	<u>\$50.00</u>

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	4.72	6.15
Income (1972 \$)	\$18,996.10	\$26,147.54
Sales (1972 \$)	81,584.41	100,527.19
Tax Revenues (1972 \$)	4,125.55	4,816.98

III. CHARACTERISTICS

Seasonality: Summer - low
 Fall - fairly good
 Winter - excellent
 Spring - Fairly good

Origin:	National	20,017 (43%)	
	International	- 1,275 (3%)	
1971	Regional	- 9,454 (20%)	TOTAL:
	State	- 16,125 (34%)	46,871

Average Length of Stay: National and International - 4.24 days
 State and regional - 2.87 days
 Overall - 3.93 days

Variability in Data: A variance of \pm 8-9% could be expected
 in our figures on conventioner spending
 in Baltimore.*

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The three convention tourist profiles are based on a national survey report of convention delegate expenditures undertaken by the International Association of Convention Bureaus (IACB). The base figures are from the last available report (1966) and have been updated by the appropriate percentage increase in the Consumer Price Index. Further refinement of the figures produced variances among the three profiles which, we believe, reflect the different spending patterns of conventioners in the Washington, Baltimore, and Ocean City area.

*Variances in the average convention delegate expenditures are a function of the make-up of the convention business. The variance for national/international expenditures is 3-4 percent; for state/regional expenditures 10-15 percent.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Conventions	Lo. East. Sh.	Hotel/Motel
	A	VII	1

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>15.00</u>
	2. camping areas	<u>-</u>
	3. rental homes	<u>-</u>
B. Food and Beverage:	4. food stores	<u>-</u>
	5. eating and drinking places	<u>13.00</u>
	6. liquor stores	<u>-</u>
C. Transportation:	7. gas stations and repairs	<u>3.00</u>
	8. local transportation	<u>-</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>-</u>
D. Other:	12. communication	<u>1.00</u>
	13. miscellaneous retail stores	<u>1.00</u>
	14. personal services	<u>1.00</u>
	15. miscellaneous business services	<u>1.00</u>
	16. amusement and recreation	<u>1.00</u>
TOTAL.....		<u>\$ 36.00</u>

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	3.81	4.75
Income (1972 \$)	\$12,969.77	\$19,221.01
Sales (1972 \$)	44.676.75	72.417.62
Tax Revenues (1972 \$)	2,980.52	3,660.76

III. CHARACTERISTICS

Seasonality: Summer - busy
 Fall - variable
 Winter - variable
 Spring - variable

Origin: 1971	In-state	- 75%	TOTAL:
	Out-of-state	- 25%	80,845

Average Length of Stay: Upper limit average - 2-3 days.

Variability in Data: A variance of \pm 12-14% could be expected in our figures on conventioner spending in Ocean City.*

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The three convention tourist profiles are based on a national survey report of convention delegate expenditures undertaken by the International Association of Convention Bureaus (IACB). The base figures are from the last available report (1966) and have been updated by the appropriate percentage increase in the Consumer Price Index. Further refinement of the figures produced variances among the three profiles which, we believe, reflect the different spending patterns of conventioners in the Washington, Baltimore, and Ocean City area.

*Variances in the average convention delegate expenditures are a function of the make-up of the convention business. The variance for national/international expenditures is 3-4 percent; for state/regional expenditures 10-15 percent.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Out. Rec.	West. Appal.	Second Homes
	B	1	2

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	5.00
B. Food and Beverage:	4. food stores	2.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$11.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.33	.53
Income (1972 \$)	\$ 1,213.89	\$ 2,524.29
Sales (1972 \$)	11,902.42	17,729.82
Tax Revenues (1972 \$)	509.95	647.32

III. CHARACTERISTICS

- Seasonality: Second homes are used throughout the year by owners. Rentals are primarily in the winter (skiing) and summer (outdoor recreation).
- Origin: Pittsburgh, Pennsylvania offers a substantial market to the Deep Creek Lake area as does the Washington/Baltimore metropolitan area. The figure of origin is about 60% out-of-state; 40% in-state.
- Average Length of Stay: Renters - approximately one week.
Owners - average 2-3 days (weekends).
- Variability in Data: Variances in our expenditure figures can be expected to be high as the expenditures are dependent on varying income levels. Changes of \pm 30% are probable.
- Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURES FIGURES

The figure for the daily cost of a rental home is based on estimates obtained from the Real Estate Department of the Baltimore Sun. A monthly rate is divided into day rates and further into per person rates using a family unit as 3.5-4 persons. The remainder of the data was obtained from interviews with tourist-associated people throughout the State.

Expenditures for food are in both categories of restaurants and food stores. The expenditure for food stores is higher, reflecting at-home eating. Other expenses are those encountered by the typical vacationing family.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Out. Rec.	West. Appal.	Day Trips
	B	I	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$4.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.26	.36
Income (1972 \$)	\$ 819.24	\$1,495.17
Sales (1972 \$)	4,584.78	7,509.20
Tax Revenues (1972 \$)	337.37	411.85

III. CHARACTERISTICS

Seasonality: Day trips to Western Appalachia can be taken throughout the year. However, skiing and fall foliage offer two of the biggest pulls and, therefore, provide the busiest seasons.

Origin: The Pittsburgh, Washington and Baltimore areas offer the biggest market for the Western Appalachia region.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is typical as expenditures for one day are fairly fixed with the possible exception of an above-average retail purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our figures are based on interviews with tourist-related businesses in the Western Appalachia region and with vacationing tourists in the region.

Food purchases by the tourist will be in eating and drinking establishments as the nature of the trip calls for eating in restaurants. Gas bills are larger than average because of the inability to average out the cost over additional days.

TOURIST PROFILE

Tourist Type:	ACTIVITY	REGION	ACCOMODATION
	Out. Rec. B	West. Appal. I	Campsites 4
I. AVERAGE DAILY EXPENDITURE:			
A. Lodging:	1. hotels/motels		\$ <u>-</u>
	2. camping areas		<u>1.00</u>
	3. rental homes		<u>-</u>
B. Food and Beverage:	4. food stores		<u>1.00</u>
	5. eating and drinking places		<u>1.00</u>
	6. liquor stores		<u>.50</u>
C. Transportation:	7. gas stations and repairs		<u>.50</u>
	8. local transportation		<u>-</u>
	9. water transportation		<u>-</u>
	10. auto rental		<u>-</u>
	11. parking		<u>-</u>
D. Other:	12. communication		<u>-</u>
	13. miscellaneous retail stores		<u>.50</u>
	14. personal services		<u>-</u>
	15. miscellaneous business services		<u>-</u>
	16. amusement and recreation		<u>.50</u>
TOTAL.....			<u>\$ 5.00</u>

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.25	.36
Income (1972 \$)	\$ 900.93	\$1,637.94
Sales (1972 \$)	5,644.12	8,867.79
Tax Revenues (1972 \$)	266.05	345.55

III. CHARACTERISTICS

Seasonality: Camping will be primarily in the Memorial Day-Labor Day period--the busiest period being the months of July and August.

Origin: Campers visiting the Western Appalachia region are primarily from the neighboring states of West Virginia and Pennsylvania and the Washington/Baltimore region.
Breakdown of visitors: 60% out-of-state; 40% in-state

Average Length of Stay: 3-4 days during the busy summer months.

Variability in Data: The camping budget should vary only 5-10% from the \$5.00 expenditure figure.

Occupancy Rate: Summer Private - 75%
Public (state) - 80-90%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with both camp owners and campers provide the basis for our expenditure figures.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 40% of his daily expenditure. The only other substantial expense is the camping fee which is roughly 20% of the daily camping budget.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Out. Rec.	East. Appal.	Day Trips
	B	II	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u> </u>
	2. camping areas	<u> </u>
	3. rental homes	<u> </u>
B. Food and Beverage:	4. food stores	<u> </u>
	5. eating and drinking places	<u>1.50</u>
	6. liquor stores	<u> </u>
C. Transportation:	7. gas stations and repairs	<u>1.00</u>
	8. local transportation	<u> </u>
	9. water transportation	<u> </u>
	10. auto rental	<u> </u>
	11. parking	<u> </u>
D. Other:	12. communication	<u> </u>
	13. miscellaneous retail stores	<u>.50</u>
	14. personal services	<u> </u>
	15. miscellaneous business services	<u> </u>
	16. amusement and recreation	<u>1.00</u>

TOTAL..... \$4.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.24	.35
Income (1972 \$)	\$ 813.88	\$1,511.98
Sales (1972 \$)	4,508.06	7,584.71
Tax Revenues (1972 \$)	336.59	414.14

III. CHARACTERISTICS

Seasonality: The busiest season runs from Memorial Day to Labor Day with July and August being the peak periods.

Origin: Most of the day trippers are in-state people (Baltimore, Washington) with some inflow from Southern Pennsylvania.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our figures are based on interviews with tourist-related businesses in the Eastern Appalachia region and with vacationing tourists in the region.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Out. Rec.	East. Appal.	Campsites
	B	II	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	.50

TOTAL..... \$5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.24	.36
Income (1972 \$)	\$ 898.68	\$1,660.85
Sales (1972 \$)	5,561.70	8,956.30
Tax Revenues (1972 \$)	265.44	348.45

III. CHARACTERISTICS

Seasonality: The peak season runs through the summer with July and August recording 90-95% occupancy.

Origin: The majority of the campers are from within the State (some 65-70%) with the remainder coming from neighboring states.

Average Length of Stay: 2-3 days during the months of July and August.

Variability in Data: The camping budget should vary only 5-10% from the \$5.00 expenditure figure.

Occupancy Rate: Summer Private - 75%
Public (state) - 80-90%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with both camp owners and campers provide the basis for our figures.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 40% of his daily expenditure. The only other substantial expense is the camping fee which is roughly 20% of the daily camping budget.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Out. Rec.	So. Md.	Day Trips
	B	V	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$4.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.30	.44
Income (1972 \$)	\$ 989.35	\$1,820.07
Sales (1972 \$)	4,538.33	7,877.30
Tax Revenues (1972 \$)	350.14	440.02

III. CHARACTERISTICS

Seasonality: The spring and summer months provide the busiest season for Southern Maryland with the influx most especially felt in July and August.

Origin: The majority of outdoor day recreationers are from the Washington/Baltimore region.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Expenditure figures are based on our interviews with tourist-related businesses in the Southern Maryland region.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Out. Rec.	So. Md.	Campsites
	B	V	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	.50
TOTAL.....		\$5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.30	.46
Income (1972 \$)	\$1,154.24	\$2,085.31
Sales (1972 \$)	5,620.53	9,377.22
Tax Revenues (1972 \$)	285.25	384.28

III. CHARACTERISTICS

Seasonality: The primary season for camping in Southern Maryland is the summer with the peak months in July and August.

Origin: The major portion of tourists to Southern Maryland are from within the state--mainly the Baltimore/Washington area which accounts for some 65-70% of the total tourists.

Average Length of Stay: 2-3 days.

Variability in Data: The camping budget should vary only 5-10% from the \$5.00 expenditure figure.

Occupancy Rate: Summer Private - 65-75%
Public (state) - 90-95%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with camping tourists and state park administrators form the basis of our expenditure figures for camping in Southern Maryland.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 40% of his daily expenditure. The only other substantial expense is the camping fee which is roughly 20% of the daily camping budget.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Beaching	West. Appal.	Second Homes
	C	I	2

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	5.00
B. Food and Beverage:	4. food stores	2.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00
	TOTAL.....	\$ 11.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.33	.53
Income (1972 \$)	\$ 1,213.89	\$ 2,524.29
Sales (1972 \$)	11,902.42	17,729.82
Tax Revenues (1972 \$)	509.95	647.32

III. CHARACTERISTICS

Seasonality: The nature of the beaching activity demands the seasonality to be within the summer months of June, July and August.

Origin: Pittsburgh, Pennsylvania offers a substantial market to the Deep Creek Lake area as does the Washington/Baltimore metropolitan area. Figure of origin is about 60% out-of-state; 40% in-state.

Average Length of Stay: Renters - approximately one week.
Owners - average 2-3 days.

Variability in Data: Variances in our expenditure figures can be expected to be high as the expenditures are dependent on varying income levels. Changes of \pm 30% are probable.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The figure for the daily cost of a rental home is based on estimates obtained from the Real Estate Department of the Baltimore Sun. The monthly rate is divided into day rates and further into per person rates using a family unit as 3.5-4 persons. The remainder of the data was obtained from interviews with tourist-associated people throughout the State.

Expenditures for food are in both categories of restaurants and food stores. The expenditure for food stores is higher, reflecting at-home eating. Other expenses are those encountered by the typical vacationing family.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Beaching	West. Appal.	Day Trips
	C	I	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00
TOTAL.....		\$4.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.26	.36
Income (1972 \$)	\$ 819.24	\$1,495.17
Sales (1972 \$)	4,584.78	7,509.20
Tax Revenues (1972 \$)	337.37	411.85

III. CHARACTERISTICS

Seasonality: The nature of the beaching activity demands the seasonality to be within the summer months of June, July and August.

Origin: Pittsburgh, Pennsylvania offers a substantial market to the Deep Creek Lake area as does the Washington/Baltimore metropolitan area. Figure of origin is about 60% out-of-state and 40% in-state.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is typical as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our expenditure figures are based on our interviews with tourist-related businesses in the Western Appalachia region.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Beaching	West. Appal.	Campsites
	C	I	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	.50

TOTAL..... \$ 5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.25	.36
Income (1972 \$)	\$ 900.93	\$1,637.94
Sales (1972 \$)	5,644.12	8,867.79
Tax Revenues (1972 \$)	266.05	345.55

III. CHARACTERISTICS

Seasonality: The nature of the beaching activity demands the seasonality to be within the summer months of June, July and August.

Origin: Pittsburgh, Pennsylvania offers a substantial market to the Deep Creek Lake area as does the Washington/Baltimore metropolitan area. Figures of origin are: 60% out-of-state; 40% in-state.

Variability in Data: Camping budgets should vary only 5-10% from the \$5.00 expenditure figure.

Occupancy Rate: Summer Private - 75%
Public (state) - 80-90%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with both camp owners and campers provide the basis for our figures.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 40% of his daily expenditure. The only other substantial expense is the camping fee which is roughly 20% of the daily camping budget.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Beaching	So. Md.	Day Trips
	C	V	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
	12. communication	-
D. Other:	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$4.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.30	.44
Income (1972 \$)	\$ 989.35	\$1,820.07
Sales (1972 \$)	4,538.33	7,877.30
Tax Revenues (1972 \$)	350.14	440.02

III. CHARACTERISTICS

Seasonality: The nature of the beaching activity demands the seasonality to be within the summer months of June, July and August.

Origin: Almost all beaching tourists to this area come from the Washington/Baltimore metropolitan areas.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is typical as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our expenditure figures are based on our interviews with tourist-related businesses in the Southern Maryland area.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Beaching	So. Md.	Campsites
	C	V	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	.50

TOTAL..... \$5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.30	.46
Income (1972 \$)	\$1,154.24	\$2,085.31
Sales (1972 \$)	5,620.53	9,377.22
Tax Revenues (1972 \$)	285.25	384.28

III. CHARACTERISTICS

Seasonality: The nature of the beaching activity demands the seasonality to be within the summer months of June, July and August.

Origin: Almost all beaching tourists to this area come from the Washington/Baltimore metropolitan areas.

Average Length of Stay: 2-3 days.

Variability in Data: Camping budgets should vary only 5-10% from the \$5.00 expenditure figure.

Occupancy Rate: Summer Private - 65-75%
Public (state) - 90-95%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with campers, camp owners and State park administrators provide the basis for our figures.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 40% of his daily expenditure. The only other substantial expense is the camping fee which is roughly 20% of the daily camping budget.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Beaching	Up. East. Sh.	Day Trips
	C	VI	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u> </u>
	2. camping areas	<u> </u>
	3. rental homes	<u> </u>
B. Food and Beverage:	4. food stores	<u> </u>
	5. eating and drinking places	<u>1.50</u>
	6. liquor stores	<u> </u>
C. Transportation:	7. gas stations and repairs	<u>1.00</u>
	8. local transportation	<u> </u>
	9. water transportation	<u> </u>
	10. auto rental	<u> </u>
	11. parking	<u> </u>
D. Other:	12. communication	<u> </u>
	13. miscellaneous retail stores	<u>.50</u>
	14. personal services	<u> </u>
	15. miscellaneous business services	<u> </u>
	16. amusement and recreation	<u>1.00</u>
	TOTAL.....	<u>\$ 4.00</u>

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.35	.46
Income (1972 \$)	\$1,168.33	\$1,911.64
Sales (1972 \$)	4,656.76	7,885.61
Tax Revenues (1972 \$)	362.03	444.53

III. CHARACTERISTICS

Seasonality: The nature of the beaching activity demands the seasonality to be within the summer months of June, July and August.

Origin: The Washington/Baltimore areas provide a substantial amount of beachers to this area as does the Philadelphia and Southern Pennsylvania area, but the latter to a much lesser degree.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is typical as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Interviews conducted with hotel/motel and camping people around Maryland Route 40 provide the basis for our expenditure figures.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out cost over additional days.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Beaching	Up. East. Sh.	Campsites
	C	VI	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	.50

TOTAL..... \$5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.33	.45
Income (1972 \$)	\$1,211.31	\$2,008.61
Sales (1972 \$)	5,686.13	9,186.61
Tax Revenues (1972 \$)	287.48	374.18

III. CHARACTERISTICS

Seasonality: The nature of the beaching activity demands the seasonality to be within the summer months of June, July and August.

Origin: The Washington/Baltimore metropolitan area provides a substantial amount of beachers to the Upper Eastern Shore area as does the Philadelphia and Southern Pennsylvania area, but the latter to a much lesser degree.

Average Length of Stay: 2-3 days.

Variability in Data: The camping budget should probably only vary some 5-10% from the stated \$5.00 expenditure figure.

Occupancy Rate: Summer Private - 70-75%
Public (state) - 85-90%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with camping-related people, both public and private, in the Upper Eastern Shore region provide the basis for our expenditure figures.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 40% of his daily expenditure. The only other substantial expense is the camping fee which is roughly 20% of the daily camping budget.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Beaching	Lo. East. Sh.	Hotel/Motel
	C	VII	1

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>10.00</u>
	2. camping areas	<u>-</u>
	3. rental homes	<u>-</u>
B. Food and Beverage:	4. food stores	<u>-</u>
	5. eating and drinking places	<u>8.00</u>
	6. liquor stores	<u>1.00</u>
C. Transportation:	7. gas stations and repairs	<u>1.00</u>
	8. local transportation	<u>-</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>-</u>
D. Other:	12. communication	<u>-</u>
	13. miscellaneous retail stores	<u>2.00</u>
	14. personal services	<u>1.00</u>
	15. miscellaneous business services	<u>1.00</u>
	16. amusement and recreation	<u>2.00</u>

TOTAL..... \$ 26.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	2.70	3.41
Income (1972 \$)	\$ 9,276.44	\$13,992.61
Sales (1972 \$)	32,337.62	53,090.15
Tax Revenues (1972 \$)	1,979.19	2,494.81

III. CHARACTERISTICS

Seasonality: The nature of the beaching activity demands the seasonality to be within the summer months; June, July and August.

Origin: Ocean City is a magnet for tourists from all over the East Coast. However, some 60% are estimated to be from within the State.

Average Length of Stay: 3.5 days--an average length of stay from Memorial Day through Labor Day.

Variability of Data: A high variability is encountered due to the large variance in hotel and restaurant prices throughout the Eastern Shore area. Our figures may vary as much as \pm 40%.

Occupancy Rate: May/June - 5-50% July/August - 90-100%

IV. BASIS FOR EXPENDITURE FIGURES

Interviewing in and around the Ocean City area provides the basis for our expenditure figures.

Beaching in Ocean City and Eastern Shore is realistically more than an overnight trip--a majority of the bathers and visitors most likely visit for at least a weekend. Generally, expenditures for the hotel/motel beacher will be greater than regular day beachers because of the vacation nature in traveling to the Eastern Shore. The two major expenses accounting for roughly 70% of the daily expenditure are hotel accommodations (35-40%) and food (30-35%).

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Beaching	Lo. East. Sh.	Second Homes
	C	VII	2

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	7.00
B. Food and Beverage:	4. food stores	2.50
	5. eating and drinking places	1.50
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.50

TOTAL..... \$15.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.60	.89
Income (1972 \$)	\$ 2,441.17	\$ 4,380.30
Sales (1972 \$)	16,699.57	25,366.03
Tax Revenues (1972 \$)	728.56	933.96

III. CHARACTERISTICS

Seasonality: The nature of the beaching activity demands the seasonality to be within the summer months of June, July and August.

Origin: Second-home owners will be drawn from throughout the Delmarva area; however, the biggest source of tourists will be drawn from the Washington-Baltimore-Philadelphia metropolitan areas.

Average Length of Stay: Variances in our expenditure figures can be expected to be high as the expenditures are dependent on varying income levels. Changes of \pm 30% are probable.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The figure for the daily cost of a rental home is based on estimates obtained from the Real Estate Department of the Baltimore Sun. The monthly rate is divided into day rates and further into per person rates using a family unit as 3.5-4 persons. The remainder of the data was obtained from interviews with tourist-associated people throughout the State.

Expenditures for food are in both categories of restaurants and food stores. The expenditure for food stores is higher reflecting at-home eating. Other expenses are those encountered by the typical vacationing family. The high costs of the Eastern Shore are reflected in the increase in the overall expenditure figures.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Beaching	Lo. East. Sh.	Day Trips
	C	VII	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	2.00

TOTAL..... \$5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.45	.61
Income (1972 \$)	\$1,566.85	\$2,615.20
Sales (1972 \$)	6,070.83	10,619.43
Tax Revenues (1972 \$)	410.76	528.64

III. CHARACTERISTICS

Seasonality: The nature of the beaching activity demands the seasonality to be within the summer months of June, July and August.

Origin: Most day trippers will be from the Delmarva area and the Washington/Baltimore metropolitan areas.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is typical as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our expenditure figures are based on interviews with tourist-related businesses in the Eastern Shore region.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days. The higher prices of the Eastern Shore are reflected in the increase in the amusement and recreation expenditures.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Beaching	Lo. East. Sh.	Campsites
	C	VII	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.50
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	.50

TOTAL..... \$ 6.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.39	.53
Income (1972 \$)	\$1,489.01	\$2,434.27
Sales (1972 \$)	7,015.36	11,193.64
Tax Revenues (1972 \$)	333.18	435.67

III. CHARACTERISTICS

Seasonality: The nature of the beaching activity demands the seasonality to be within the summer months of June, July and August.

Origin: Ocean City is a magnet for tourists from all over the East Coast. However, some 60% are estimated to be from within the State.

Average Length of Stay: 3-4 days.

Variability in Data: The camping budget should vary only 5-10% from the \$6.00 expenditure figure.

Occupancy Rate: Summer Private - 80-85%
Public (state) - 90-100%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews in the Ocean City area with campers, camp owners, and State park administrators provide the basis for our figures.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 1/3 of his daily expenditures. Campsite charges are among the highest in the State and consume another 25% of the daily budget.

As with all other Eastern Shore activities, the expenditure figures are higher than average, reflecting the higher prices in this vacation resort.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	West. Appal.	Second Homes
	D	I	2

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>-</u>
	2. camping areas	<u>-</u>
	3. rental homes	<u>5.00</u>
B. Food and Beverage:	4. food stores	<u>2.00</u>
	5. eating and drinking places	<u>1.00</u>
	6. liquor stores	<u>.50</u>
C. Transportation:	7. gas stations and repairs	<u>1.00</u>
	8. local transportation	<u>-</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>-</u>
D. Other:	12. communication	<u>-</u>
	13. miscellaneous retail stores	<u>1.00</u>
	14. personal services	<u>-</u>
	15. miscellaneous business services	<u>-</u>
	16. amusement and recreation	<u>1.50</u>

TOTAL..... \$ 12.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.39	.61
Income (1972 \$)	\$ 1,382.31	\$ 2,890.39
Sales (1972 \$)	13,028.48	19,705.15
Tax Revenues (1972 \$)	618.76	778.44

III. CHARACTERISTICS

- Seasonality: Boating is an activity confined mainly to the summer season. However, with favorable weather conditions, boating can take place in the late spring and early fall.
- Origin: Pittsburgh, Pennsylvania offers a substantial market to the Deep Creek Lake area as does the Washington Baltimore metropolitan area. The figure of origin is about 60% out-of-state; 40% in-state.
- Average Length of Stay: Renters - approximately one week.
Owners - average 2-3 days (weekends).
- Variability in Data: Variances in our expenditure figures can be expected to be high as the expenditures are dependent on varying income levels. Changes of \pm 30% are probable.
- Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The figure for the daily cost of a rental home is based on estimates obtained from the Real Estate Department of the Baltimore Sun. A monthly rate is divided into day rates and further into person rates using a family unit as 3.5-4 persons. The remainder of the data was obtained from interviews with tourist-associated people throughout the state.

Expenditures for food are in both categories of restaurants and food stores. The expenditure for food stores is higher reflecting at-home eating. Other expenses are those encountered by the typical vacationing family. The added costs of boating are reflected in increased expenditures for gas and recreation.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	West. Appal.	Day Trips
	D	I	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	2.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
	12. communication	-
D. Other:	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$5.00

II. IMPACT/1000 TOURIST

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.28	.40
Income (1972 \$)	\$ 888.03	\$1,670.60
Sales (1972 \$)	5,638.82	9,034.82
Tax Revenues (1972 \$)	511.89	597.44

III. CHARACTERISTICS

Seasonality: Boating is an activity confined mainly to the summer season. However, with favorable weather conditions boating can take place in the late spring and early fall.

Origin: Day-trip boating is mainly from the immediate surrounding areas of Pittsburgh, Western Maryland and West Virginia.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our expenditure figures are based on interviews with tourist-related businesses in the Western Appalachia region.

Food purchases by the tourist will be in eating and drinking establishments as the nature of the trip calls for eating in restaurants. Gas bills are larger than average because of the inability to average out the cost. Gas used in boating is reflected in the increase in the day trip gas expenditure.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	West. Appal.	Campsites
	D	I	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$ 6.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.30	.45
Income (1972 \$)	\$1,069.35	\$ 2,004.04
Sales (1972 \$)	6,770.18	10,843.12
Tax Revenues (1972 \$)	374.85	476.67

III. CHARACTERISTICS

Seasonality: Boating activities run mainly during the summer months. The length of the season is dependent solely on the weather.

Origin: The Pittsburgh, Pennsylvania area provides a large number of tourists to the area as does the Washington Baltimore metropolitan areas.

Average Length of Stay: 3-4 days.

Variability in Data: The camping budget will most likely only vary 5-10% from the stated \$6.00 expenditure figure.

Occupancy Rate: Summer Private - 75%
Public (state) - 80-90%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews in Western Maryland with camping-oriented people from the basis of our expenditure figures.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 1/3 of his daily expenditure. Campsite charges are equivalent to the average throughout the State.

The major increases in the boating expenditure figures from regular camping expenditure figures (gas and repair and amusements) reflect the extra added costs of the activity.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	So. Md.	Day Trips
	D	V	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	2.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.32	.49
Income (1972 \$)	\$1,088.26	\$2,040.20
Sales (1972 \$)	5,601.14	9,454.08
Tax Revenues (1972 \$)	527.03	629.47

III. CHARACTERISTICS

Seasonality: Boating is an activity confined mainly to the summer season. However, with favorable weather conditions boating can take place in the later spring and early fall.

Origin: The Baltimore/Washington area provides the major number of day-trip boaters to Southern Maryland.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our expenditure figures are based on interviews with tourist-related businesses and State park administrators in the Southern Maryland region.

Food purchases by the tourist will be in eating and drinking establishments as the nature of the trip calls for eating in restaurants. Gas bills are larger than average because of the inability to average out the cost. Gas used in boating is reflected in the increase in the day-trip gas expenditure.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	So. Md.	Campsites
	D	V	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$6.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.35	.54
Income (1972 \$)	\$1,326.07	\$ 2,470.74
Sales (1972 \$)	6,730.36	11,373.12
Tax Revenues (1972 \$)	394.28	517.10

III. CHARACTERISTICS

Seasonality: Boating activities run mainly during the summer months. The length of the season is dependent solely on the weather.

Origin: The Washington/Baltimore area provides some 70-80% of all boaters to the Southern Maryland waters. The remainder come from other areas of Maryland and neighboring states.

Average Length of Stay: 2-3 days.

Variability in Data: The camping budget will most likely only vary 5-10% from the stated \$6.00 expenditure figure.

Occupancy Rate: Summer Private - 65-75%
 Public (state) - 90-95%

IV. BASIS FOR EXPENDITURE FIGURES

Our expenditure figures are based on interviewing throughout the State, specifically in this case in the Southern Maryland region. Interviews in Southern Maryland were conducted with campers, camp owners, and State park administrators.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 1/3 of his daily expenditure. Campsite charges are equivalent to the average throughout the State.

The major increases in the boating expenditure figures from regular camping expenditures (gas and repair and amusement) reflect the extra added cost of the activity.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	Up. East. Sh.	Second Homes
	D	VI	2

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	5.00
B. Food and Beverage:	4. food stores	2.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.50

TOTAL..... \$12.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.35	.54
Income (1972 \$)	\$1,326.07	\$ 2,470.74
Sales (1972 \$)	6,730.36	11,373.12
Tax Revenues (1972 \$)	394.28	517.10

III. CHARACTERISTICS

Seasonality: Boating activities run mainly during the summer months. The length of the season is dependent solely on the weather.

Origin: The Washington/Baltimore area provides some 70-80% of all boaters to the Southern Maryland waters. The remainder come from other areas of Maryland and neighboring states.

Average Length of Stay: 2-3 days.

Variability in Data: The camping budget will most likely only vary 5-10% from the stated \$6.00 expenditure figure.

Occupancy Rate: Summer Private - 65-75%
Public (state) - 90-95%

IV. BASIS FOR EXPENDITURE FIGURES

Our expenditure figures are based on interviewing throughout the State, specifically in this case in the Southern Maryland region. Interviews in Southern Maryland were conducted with campers, camp owners, and State park administrators.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 1/3 of his daily expenditure. Campsite charges are equivalent to the average throughout the State.

The major increases in the boating expenditure figures from regular camping expenditures (gas and repair and amusement) reflect the extra added cost of the activity.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	Up. East. Sh.	Second Homes
	D	VI	2

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	5.00
B. Food and Beverage:	4. food stores	2.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.50

TOTAL..... \$12.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.49	.73
Income (1972 \$)	\$ 1,910.25	\$ 3,520.66
Sales (1972 \$)	13,122.97	20,262.27
Tax Revenues (1972 \$)	655.66	827.54

III. CHARACTERISTICS

Seasonality: Boating is an activity confined mainly to the summer season. However, with favorable weather conditions boating can take place in the late spring and early fall.

Origin: The corridor between Philadelphia and Washington extending eastward to Frederick provides the basis for second-home boaters.

Average Length of Stay: Renters - approximately one week.
Owners - average 2-3 days (weekends).

Variability in Data: Variances in our expenditure figures can be expected to be high as the expenditures are dependent on varying income levels. Changes of \pm 30% are probable.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The figure for the daily cost of a rental home is based on estimates obtained from the Real Estate Department of the Baltimore Sun. The day rate has been figured on 3.5-4 persons. Interviews throughout the State form the basis for the remainder of our expenditure figures.

Expenditures for food are in both categories of restaurants and food stores. The expenditure for food stores is higher reflecting at-home eating. Other expenses are those encountered by the typical vacationing family. The added costs of boating are reflected in the increased expenditures for gas and recreation.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	Up. East. Sh.	Day Trips
	D	VI	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	2.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00
TOTAL.....		\$ 5.00

II. IMPACT/1000 TOURISTS

	<u>By Region</u>	<u>By State</u>
Jobs (Man-Years)	.38	.51
Income (1972 \$)	\$1,276.12	\$2,133.42
Sales (1972 \$)	5,722.16	9,455.34
Tax Revenues (1972 \$)	539.38	633.82

III. CHARACTERISTICS

Seasonality: Boating is an activity confined mainly to the summer season. However, with favorable weather conditions boating can take place in the late spring and early fall.

Origin: The boating day trippers to the Upper Eastern Shore come mainly from the surrounding Route 40 area and the metropolitan districts of Washington and Baltimore.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our expenditure figures are based on interviews with tourist-related businesses and State park administrators.

Food purchases by the tourist will be in eating and drinking establishments as the nature of the trip calls for eating in restaurants. Gas bills are larger than average because of the inability to average out the cost. Gas used in boating is reflected in the increase in the day-trip gas expenditures.

TOURIST' PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	Lo. East. Sh.	Hotel/Motel
	D	VII	1

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ 10.00
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	8.00
	6. liquor stores	1.00
C. Transportation:	7. gas stations and repairs	2.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	2.00
	14. personal services	1.00
	15. miscellaneous business services	1.00
	16. amusement and recreation	2.00

TOTAL..... \$27.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	2.72	3.45
Income (1972 \$)	\$ 9,387.90	\$14,217.87
Sales (1972 \$)	33,307.33	54,675.93
Tax Revenues (1972 \$)	2,156.56	2,684.10

III. CHARACTERISTICS

Seasonality: Boating on the Eastern Shore is confined mainly to the summer months; however, an increasing amount of boating in spring and fall is noticeable.

Origin: The Eastern Shore is a major pull from throughout the State of Maryland and the surrounding states. Estimates put visitors at 60% in-state and 40% out-of-state.

Average Length of Stay: 3.5 days - an average length of stay from Memorial Day through Labor Day.

Variability in Data: A high variability is encountered due to the large variance in hotel and restaurant prices throughout the Eastern Shore area. Our figures may vary as much as \pm 40%.

Occupancy Rate: May/June - 5-50% July/August - 90-100%

IV. BASIS FOR EXPENDITURE FIGURES

Interviewing with hotel people in Ocean City and other areas in the Eastern Shore form the basis of our expenditure figures. Major expenditures for the Eastern Shore motel/hotel boater are lodging and restaurants. These constitute some 65% of the boater's average daily expenditure.

TOURIST' PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	Lo. East. Sh.	Second Homes
	D	VII	2

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	7.00
B. Food and Beverage:	4. food stores	2.50
	5. eating and drinking places	1.50
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	2.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	2.50

TOTAL..... \$ 17.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.72	1.08
Income (1972 \$)	\$ 2,936.33	\$ 5,300.92
Sales (1972 \$)	19,046.37	29,551.51
Tax Revenues (1972 \$)	891.28	1,144.80

III. CHARACTERISTICS

Seasonality: Boating is an activity confined mainly to the summer season. However, with favorable weather conditions boating can take place in the late spring and early fall.

Origin: The Eastern Shore pulls second-home owners from a wide area; however, the majority will be found in the Washington/Baltimore area.

Average Length of Stay: Renters - approximately one week.
Owners - average 2-3 days (weekends).

Variability in Data: Variances in our expenditure figures can be expected to be high as the expenditures are dependent on varying income levels. Changes of \pm 30% are probable.

Occupance Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The figures for the daily cost of a rental home is based on estimates obtained from the Real Estate Department of the Baltimore Sun. A monthly rate is divided into day rates and further into per person rates using a family unit as 3.5-4 persons. The remainder of the data was obtained from interviews with tourists associated people throughout the State.

Expenditures for food are in both categories of restaurants and food stores. The expenditure for food stores is higher, reflecting at-home eating. Other expenses are those encountered by the typical vacationing family. The high costs of the Eastern Shore are reflected in the increase in the overall expenditure figures.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	Lo. East. Sh.	Day Trips
	D	VII	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	2.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	2.00

TOTAL..... \$6.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.47	.65
Income (1972 \$)	\$1,678.31	\$ 2,840.46
Sales (1972 \$)	7,150.53	12,205.21
Tax Revenues (1972 \$)	588.12	717.93

III. CHARACTERISTICS

Seasonality: Boating is an activity confined mainly to the summer season. However, with favorable weather conditions, boating can take place in the late spring and early fall.

Origin: The day trip limits the origin of the traveler to the Ocean City area and, therefore, only the areas of Delmarva and to a lesser extent Washington provide the major day trippers for boating.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Interviews in and around the Ocean City area provide the basis of our expenditure figures.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost. In the boating profiles, the gas expenditure is even higher, reflecting the additional gas use. As in other Eastern Shore profiles, the total expenditures are higher than average due to the higher costs of the area.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Boating	Lo. East. Sh.	Campsites
	D	VII	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.50
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$7.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.45	.62
Income (1972 \$)	\$1,724.72	\$ 2,879.67
Sales (1972 \$)	8,181.09	13,265.66
Tax Revenues (1972 \$)	446.15	572.36

III. CHARACTERISTICS

Seasonality: Boating activities run mainly during the summer months. The length of the season is dependent solely on the weather.

Origin: The Eastern Shore pulls from throughout the East; however, estimates are that 60% are from within Maryland.

Average Length of Stay: 3-4 days.

Variability in Data: The camping budget will most likely only vary some 5-10% from the stated \$7.00 expenditure figure.

Occupancy Rate: Summer Private - 80-85%
 Public (state) - 90-100%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews in the State--specifically in this case, the Eastern Shore--form the basis of our expenditure figures. Interviews in the Eastern Shore were conducted with campers, camp owners, and State park administrators.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 25-30% of his daily expenditures. Campsite charges are among the highest in the State and consume another 20-25% of the daily budget.

As with all other Eastern Shore activities, the expenditure figures are higher than average reflecting the higher prices in this vacation resort. Compounding this increase is the extra added costs of the boating activity.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Sightseeing	East. Appal.	Hotel/Motel
	E	II	1

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>7.00</u>
	2. camping areas	<u>-</u>
	3. rental homes	<u>-</u>
B. Food and Beverage:	4. food stores	<u>-</u>
	5. eating and drinking places	<u>4.00</u>
	6. liquor stores	<u>-</u>
C. Transportation:	7. gas stations and repairs	<u>2.50</u>
	8. local transportation	<u>-</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>-</u>
D. Other:	12. communication	<u>-</u>
	13. miscellaneous retail stores	<u>.50</u>
	14. personal services	<u>-</u>
	15. miscellaneous business services	<u>-</u>
	16. amusement and recreation	<u>1.00</u>

TOTAL..... \$15.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	1.04	1.42
Income (1972 \$)	\$ 3,389.73	\$ 5,848.22
Sales (1972 \$)	17,059.46	28,068.68
Tax Revenues (1972 \$)	1,292.86	1,562.14

III. CHARACTERISTICS

Seasonality: The sightseeing peaks in Eastern Appalachia come between Memorial Day and Labor Day. The remainder of the season is quite slow.

Origin: The overflow from Washington and Gettysburg form a major market in the Frederick area and these tourists are from throughout the country.

Average Length of Stay: Visiting Frederick area alone - one day.
Visiting Washington and staying in Frederick - 2-3 days.

Variability in Data: A high variance of from 25-30% might be anticipated, reflecting the varying budget allowances of sightseers.

Occupancy Rate: Summer - 80-85%
Winter - 50-60%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews throughout the Eastern Appalachia area are the basis for our expenditure figures.

The major expenditure of lodging consumes almost half of the sightseer's budget with food and gas consuming an additional 40%.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Sightseeing	East. Appal.	Day Trips
	E	II	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$ 4.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.24	.35
Income (1972 \$)	\$ 813.88	\$1,511.98
Sales (1972 \$)	4,508.06	7,584.71
Tax Revenues (1972 \$)	336.59	414.14

III. CHARACTERISTICS

Seasonality: Sightseeing is an activity confined to no particular season; however, interviewing revealed the summer months to be the busiest season of the year.

Origin: Day-trip sightseers are from within a maximum radius from Frederick of 150 miles.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our figures are based on interviews with tourist-related businesses in the Eastern Appalachia region and with vacationing tourists in the region.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Sightseeing	Wash. Metro.	Hotel/Motel
	E	III	1

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>8.00</u>
	2. camping areas	<u>-</u>
	3. rental homes	<u>-</u>
B. Food and Beverage:	4. food stores	<u>-</u>
	5. eating and drinking places	<u>3.50</u>
	6. liquor stores	<u>-</u>
C. Transportation:	7. gas stations and repairs	<u>2.50</u>
	8. local transportation	<u>-</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>-</u>
D. Other:	12. communication	<u>-</u>
	13. miscellaneous retail stores	<u>2.00</u>
	14. personal services	<u>-</u>
	15. miscellaneous business services	<u>-</u>
	16. amusement and recreation	<u>1.00</u>

TOTAL..... \$17.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	1.10	1.58
Income (1972 \$)	\$ 4,502.64	\$ 7,239.72
Sales (1972 \$)	22,128.64	31,829.65
Tax Revenues (1972 \$)	1,494.83	1,774.67

III. CHARACTERISTICS

Seasonality: The Washington area is a tourist attraction throughout the year. Memorial Day through Labor Day is the busiest period.

Origin: Travelers from throughout the world visit Washington

Average Length of Stay: Approximately 3-4 days.

Variability in Data: A high variance, as with all other motel tourist profiles, can be anticipated, perhaps, from 25-30%.

Occupancy Rate: Spring/summer - 75-85%
Fall/winter - 60-65%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with motel owners and managers in the Maryland/Washington metropolitan area provided the basis for our expenditure figures.

The expenditures for Maryland-lodged sightseers visiting Washington, D. C. are lower than the Baltimore sightseer because of the percentage of the daily budget that is spent in Washington, D. C. While Washington is a major contributor to Maryland's tourism trade, the economic impact to Maryland from D. C. visitors is only a portion of the total impact of the Washington sightseer.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Sightseeing	Balt. Metro.	Hotel/Motel
	E	IV	1

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>8.00</u>
	2. camping areas	<u>-</u>
	3. rental homes	<u>-</u>
B. Food and Beverage:	4. food stores	<u>-</u>
	5. eating and drinking places	<u>7.00</u>
	6. liquor stores	<u>-</u>
C. Transportation:	7. gas stations and repairs	<u>2.50</u>
	8. local transportation	<u>-</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>.50</u>
D. Other:	12. communication	<u>-</u>
	13. miscellaneous retail stores	<u>2.00</u>
	14. personal services	<u>-</u>
	15. miscellaneous business services	<u>-</u>
	16. amusement and recreation	<u>1.00</u>

TOTAL..... \$ 21.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	1.95	2.53
Income (1972 \$)	\$ 7,605.85	\$10,491.30
Sales (1972 \$)	33,773.62	41,475.59
Tax Revenues (1972 \$)	1,937.19	2,216.41

III. CHARACTERISTICS

Seasonality: Sightseeing in Baltimore is an activity which takes place throughout the year. However, the Memorial Day through Labor Day period provides the busiest season.

Origin: The sightseer to Baltimore comes from a closer area than does the Washington sightseer. Often Baltimore is part of a trip which lists D. C. as the final point of destination.

Average Length of Stay: 1-2 days.

Variability in Data: A high variance of from 25-30% might be anticipated reflecting the varying budget allowances of sightseers.

Occupancy Rate: Summer - 70-80%
Winter - 70-75%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with key hotel people in the Baltimore area form the basis for our expenditure figures. As with all other hotel/motel sightseeing tourists, the major expenses are for lodging and food--the food solely in restaurants.

Sightseeing in Baltimore lacks the appeal and attractions that Washington has. The hotel/motel business is mostly business and conventions and the sightseer has less than a major impact on their business.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Sightseeing	Balt. Metro.	Day Trips
	E	IV	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$4.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.36	.47
Income (1972 \$)	\$1,436.02	\$2,009.62
Sales (1972 \$)	6,552.18	8,134.01
Tax Revenues (1972 \$)	399.96	456.68

III. CHARACTERISTICS

Seasonality: Sightseeing is an activity confined to no particular season; however, interviewing revealed the summer months to be the busiest season of the year.

Origin: Baltimore draws from a more limited area than does Washington, but estimates are that 85% of the tourists are from outside the region--25% of these are from out of state.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our figures are based on interviews with tourist-related businesses in the Baltimore metropolitan area.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Sightseeing E	So. Md. V	Day Trips 3
I. AVERAGE DAILY EXPENDITURE:			
A. Lodging:	1. hotels/motels		\$ <u> </u>
	2. camping areas		<u> </u>
	3. rental homes		<u> </u>
B. Food and Beverage:	4. food stores		<u> </u>
	5. eating and drinking places		<u>1.50</u>
	6. liquor stores		<u> </u>
C. Transportation:	7. gas stations and repairs		<u>1.00</u>
	8. local transportation		<u> </u>
	9. water transportation		<u> </u>
	10. auto rental		<u> </u>
	11. parking		<u> </u>
D. Other:	12. communication		<u> </u>
	13. miscellaneous retail stores		<u>.50</u>
	14. personal services		<u> </u>
	15. miscellaneous business services		<u> </u>
	16. amusement and recreation		<u>1.00</u>
TOTAL.....			\$ <u>4.00</u>

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.30	.44
Income (1972 \$)	\$ 989.35	\$1,820.07
Sales (1972 \$)	4,538.33	7,877.30
Tax Revenues (1972 \$)	350.14	440.02

III. CHARACTERISTICS

Seasonality: Southern Maryland draws tourists mainly during the summer, spring and fall months--Memorial Day through Labor Day being the peak period.

Origin: Tourists are mainly from within a close range. Many are found to be part of the overflow from the Washington tourists.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with tourist-related people in Southern Maryland and interviews with tourists visiting the area form the basis of our expenditure figures.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	West. Appal.	Second Homes
	F	I	2

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	5.00
B. Food and Beverage:	4. food stores	2.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$11.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.33	.53
Income (1972 \$)	\$ 1,213.89	\$ 2,524.29
Sales (1972 \$)	11,902.42	17,729.82
Tax Revenues (1972 \$)	509.95	647.32

III. CHARACTERISTICS

Seasonality: The majority of fresh-water fishing is open season. The peak seasons are a function of the particular fishing activity.

Origin: Pittsburgh, Pennsylvania offers a substantial market to the Deep Creek Lake area as does the Washington/Baltimore metropolitan area. The figure of origin is about 60% out-of-state; 40% in-state.

Average Length of Stay: Renters - approximately one week.
Owners - average 2-3 days (weekends).

Variability in Data: Variances in our expenditure figures can be expected to be high on varying income levels. Changes of \pm 30% are probable.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The figure for the daily cost of a rental home is based on estimates obtained from the Real Estate Department of the Baltimore Sun. A monthly rate is divided into day rates and further into per person rates using a family unit as 3.5-4 persons. The remainder of the data was obtained from interviews with tourist-associated people throughout the State.

Expenditures for food are in both categories of restaurants and food stores. The expenditure for food stores is higher, reflecting at-home eating. Other expenses are those encountered by the typical vacationing family.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	West. Appal.	Campsites
	F	I	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	.50

TOTAL..... \$5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.25	.36
Income (1972 \$)	\$ 900.93	\$1,637.94
Sales (1972 \$)	5,644.12	8,867.79
Tax Revenues (1972 \$)	266.05	345.55

III. CHARACTERISTICS

Seasonality: The majority of fresh-water fishing is open season. The peak seasons are a function of the particular fishing activity.

Origin: Camping fishermen visiting Western Appalachia are primarily from the Pittsburgh, Washington and Baltimore metropolitan areas. Out-of-state tourists only account for 25-30% of fishing visitors.

Average Length of Stay: 2-3 days.

Variability in Data: The camping budget should vary only 5-10% from the \$5.00 expenditure figure.

Occupancy Rate: Summer Private - 75%
Public (state) - 80-90%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with both camp owners and campers provide the basis for our expenditure figures.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 40% of his daily expenditure. The only other substantial expense is the camping fee which is roughly 20% of the daily camping budget.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	East. Appal.	Campsites
	F	II	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	.50

TOTAL..... \$ 5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.24	.36
Income (1972 \$)	\$ 898.68	\$1,660.85
Sales (1972 \$)	5,561.70	8,956.30
Tax Revenues (1972 \$)	265.44	348.45

III. CHARACTERISTICS

Seasonality: The majority of fresh-water fishing is open season. The peak seasons are a function of the particular fishing activity.

Origin: The markets servicing Eastern Appalachia are Southern Pennsylvania, Metropolitan Baltimore and Metropolitan Washington. Out-of-state tourists only account for some 20% of fishing visitors.

Average Length of Stay: 2-3 days.

Variability in Data: The camping budget should vary only 5-10% from the \$5.00 expenditure figure.

Occupancy Rate: Summer Private - 75%
Public (state) - 80-90%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with both camp owners and campers provide the basis for our expenditure figures.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 40% of his daily expenditure. The only other substantial expense is the camping fee which is roughly 20% of the daily camping budget.

TOURIST' PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	Balt. Metro.	Day Trips
	F	IV	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$ 4.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.36	.47
Income (1972 \$)	\$1,436.02	\$2,009.62
Sales (1972 \$)	6,552.18	8,134.01
Tax Revenues (1972 \$)	399.96	456.68

III. CHARACTERISTICS

- Seasonality: The majority of fresh and salt water fishing is open season. The peak seasons are a function of the particular fishing activity.
- Origin: Day-trip fishermen are drawn from an area within close range of the Baltimore region. Estimates are that 30-40% of these fishermen are from outside the region and only 5% of these are from out of state.
- Average Length of Stay: Not applicable.
- Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.
- Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our figures are based on interviews with tourist-related businesses and State park administrators in the Baltimore area.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	Balt. Metro.	Campsites
	F	IV	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	.50

TOTAL..... \$ 5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.34	.45
Income (1972 \$)	\$1,472.23	\$2,070.53
Sales (1972 \$)	7,708.20	9,396.89
Tax Revenues (1972 \$)	324.76	383.35

III. CHARACTERISTICS

Seasonality: The majority of fresh and salt water fishing is open season. The peak seasons are a function of the particular fishing activity.

Origin: It is estimated that 80% of camping fishermen are from within a 60-mile radius of the Baltimore region.

Average Length of Stay: 2-3 days.

Variability in Data: The camping budget should vary only 5-10% from the \$5.00 expenditure figure.

Occupancy Rate: Summer Private - 75-80%
Public (state) - 80-90%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with both camp owners and campers provide the basis for our expenditure figures.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 40% of his daily expenditure. The only other substantial expense is the camping fee which is roughly 20% of the daily camping budget.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	So. Md.	Day Trips
	F	V	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$ 4.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.30	.44
Income (1972 \$)	\$ 989.35	\$1,820.07
Sales (1972 \$)	4,538.33	7,877.30
Tax Revenues (1972 \$)	350.14	440.02

III. CHARACTERISTICS

Seasonality: The majority of fresh and salt water fishing is open season. The peak seasons are a function of the particular fishing activity.

Origin: The Washington/Baltimore metropolitan areas provide the majority of Southern Maryland day-trip fishermen.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Expenditure figures are based on our interviews with tourist-related businesses in the Southern Maryland region.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	So. Md.	Campsites
	F	V	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>-</u>
	2. camping areas	<u>1.00</u>
	3. rental homes	<u>-</u>
B. Food and Beverage:	4. food stores	<u>1.00</u>
	5. eating and drinking places	<u>1.00</u>
	6. liquor stores	<u>.50</u>
C. Transportation:	7. gas stations and repairs	<u>.50</u>
	8. local transportation	<u>-</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>-</u>
D. Other:	12. communication	<u>-</u>
	13. miscellaneous retail stores	<u>.50</u>
	14. personal services	<u>-</u>
	15. miscellaneous business services	<u>-</u>
	16. amusement and recreation	<u>.50</u>

TOTAL..... \$5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.30	.46
Income (1972 \$)	\$1,154.24	\$2,085.31
Sales (1972 \$)	5,620.53	9,377.22
Tax Revenues (1972 \$)	285.25	384.28

III. CHARACTERISTICS

Seasonality: The majority of fresh and salt water fishing is open season. The peak seasons are a function of the particular fishing activity.

Origin: Southern Maryland draws its fishermen from throughout Maryland, but most especially from the Washington/Baltimore areas. Estimates are that 80% of these tourists are in-state.

Average Length of Stay: 2-3 days.

Variability in Data: The camping budget should vary only 5-10% from the \$5.00 expenditure figure.

Occupancy Rate: Summer Private - 65-75%
Public (state) - 90-95%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with camping tourists and State park administrators form the basis of our expenditure figures for camping in Southern Maryland.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 40% of his daily expenditure. The only other substantial expense is the camping fee which is roughly 20% of the daily camping budget.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	Up. East. Sh.	Day Trips
	F	VI	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	1.00

TOTAL..... \$ 4.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.35	.46
Income (1972 \$)	\$1,168.33	\$1,911.64
Sales (1972 \$)	4,656.76	7,885.61
Tax Revenues (1972 \$)	362.03	444.53

III. CHARACTERISTICS

Seasonality: The majority of fresh and salt water fishing is open season. The peak seasons are a function of the particular fishing activity.

Origin: The Washington/Baltimore metropolitan areas provide a substantial amount of fishermen to this area as does the Philadelphia and Southern Pennsylvania areas, but the latter to a much lesser degree.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Interviews conducted with tourist-related businesses and State park administrators provide the basis of our expenditure figures.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	Up. East. Sh.	Campsites
	F	VI	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	.50
TOTAL.....		\$5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.33	.45
Income (1972 \$)	\$1,211.31	\$2,008.61
Sales (1972 \$)	5,686.13	9,186.54
Tax Revenues (1972 \$)	287.48	374.18

III. CHARACTERISTICS

Seasonality: The majority of fresh and salt water fishing is open season. The peak seasons are a function of the particular fishing activity.

Origin: Fishing sportmen visiting the Upper Eastern Shore are primarily drawn from the Washington/Baltimore areas while influence is felt from Eastern and Western Appalachia and neighboring states. In-state visitors account for 70-75% of the tourists.

Average Length of Stay: 2-3 days.

Variability in Data: The camping budget should vary only 5-10% from the \$5.00 expenditure figure.

Occupancy Rate: Summer Private - 70-75%
Public (state) - 85-90%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with camping-related people, both public and private, in the Upper Eastern Shore region provide the basis for our expenditure figures.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly 40% of his daily expenditure. The only other substantial expense is the camping fee which is roughly 20% of the daily camping budget.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	Lo. East. Sh.	Hotel/Motel
	F	VII	1

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>14.00</u>
	2. camping areas	<u>-</u>
	3. rental homes	<u>-</u>
B. Food and Beverage:	4. food stores	<u>-</u>
	5. eating and drinking places	<u>11.00</u>
	6. liquor stores	<u>1.00</u>
C. Transportation:	7. gas stations and repairs	<u>1.00</u>
	8. local transportation	<u>-</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>-</u>
D. Other:	12. communication	<u>-</u>
	13. miscellaneous retail stores	<u>2.00</u>
	14. personal services	<u>1.00</u>
	15. miscellaneous business services	<u>1.00</u>
	16. amusement and recreation	<u>4.00</u>

TOTAL..... \$ 35.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	3.70	4.71
Income (1972 \$)	\$12,699.88	\$19,260.88
Sales (1972 \$)	43,533.96	72,504.04
Tax Revenues (1972 \$)	2,627.96	3,349.02

III. CHARACTERISTICS

- Seasonality: Deep-sea fishing is confined mainly to the summer months. White Marlin season runs from July to September.
- Origin: Marlin fishing is a national magnet for vacationers to the Eastern Shore. The percentage of in-state tourists, however, is higher, averaging some 60%.
- Average Length of Stay: 3.5 days - an average length of stay from Memorial Day to Labor Day.
- Variability in Data: A high variability is encountered due to the large variance in hotel and restaurant prices throughout the Eastern Shore area. Our figures may vary as much as $\pm 40\%$.
- Occupancy Rate: May/June - 5-50% July/August - 90-100%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with tourist-related businesses in and around the Ocean City area form the basis of our expenditure figures.

The expenditure figures for hotel/motel-based fishing vacationers are the highest outside of conventioners. The high cost of vacationing at the Eastern Shore compounded with the high cost of sport fishing creates these high expenditure figures.

The largest expenditures are for lodging and food. Amusement and recreation expenditures are higher than usual reflecting the costs of the sport fishing.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	Lo. East. Sh.	Second Homes
	F	VII	2

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	7.00
B. Food and Beverage:	4. food stores	2.50
	5. eating and drinking places	1.50
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	2.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	4.00
	TOTAL.....	\$ 18.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.85	1.28
Income (1972 \$)	\$ 3,420.53	\$ 6,186.58
Sales (1972 \$)	20,384.16	32,596.00
Tax Revenues (1972 \$)	875.46	1,176.31

III. CHARACTERISTICS

Seasonality: The majority of fresh and salt water fishing is open season. The Lower Eastern Shore has a greater emphasis on salt water fishing which is done primarily during the summer months.

Origin: Second-home owners will be drawn from throughout the Delmarva area; however, the biggest source of tourists will be drawn from the Washington-Baltimore-Philadelphia metropolitan areas.

Average Length of Stay: Renters - approximately one week.
Owners - average 2-3 days (weekends).

Variability in Data: Variances in our expenditure figures can be expected to be high as the expenditures are dependent on varying income levels. Changes of \pm 30% are probable.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The figure for the daily cost of a rental home is based on estimates obtained from the Real Estate Department of the Baltimore Sun. A monthly rate is divided into day rates and further into per person rates using a family unit as 3.5-4 persons. The remainder of the data was obtained from interviews with tourist-associated people throughout the State.

Expenditures for food are in both categories of restaurants and food stores. The expenditure for food stores is higher reflecting at-home eating. Other expenses are those encountered by the typical vacationing family. The high costs of vacationing at the Eastern Shore and the added costs of sport fishing are reflected in the increased expenditure figures.

TOURIST' PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	Lo. East. Sh.	Day Trips
	F	VII	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	-
B. Food and Beverage:	4. food stores	-
	5. eating and drinking places	1.50
	6. liquor stores	-
C. Transportation:	7. gas stations and repairs	1.00
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	.50
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	2.00
	TOTAL.....	\$ 5.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.45	.61
Income (1972 \$)	\$1,566.85	\$ 2,615.20
Sales (1972 \$)	6,070.83	10,619.43
Tax Revenues (1972 \$)	410.76	528.64

III. CHARACTERISTICS

Seasonality: The majority of fresh and salt water fishing is open season. The Lower Eastern Shore has a greater emphasis on salt water fishing which is done primarily during the summer months.

Origin: Most day trippers will be from the Delmarva and metropolitan Washington/Baltimore areas.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our figures are based on interviews with tourist-related businessmen and State park administrators in the Eastern Shore region.

Food purchases by the tourist will be in eating and drinking establishments because of the nature of the trip. Gas bills are larger than average because of the inability to average out the cost over additional days. The higher prices of the Eastern Shore are reflected in the increase in the amusement and recreation expenditure.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Fishing	Lo. East. Sh.	Campsites
	F	VII	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.50
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	.50

TOTAL..... \$6.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.39	.53
Income (1972 \$)	\$1,489.01	\$ 2,434.27
Sales (1972 \$)	7,015.36	11,193.64
Tax Revenues (1972 \$)	333.18	435.67

III. CHARACTERISTICS

Seasonality: The majority of fresh and salt water fishing is open season. The Lower Eastern Shore has a greater emphasis on salt water fishing which is done primarily during the summer months.

Origin: Deep-sea fishing attracts tourists from throughout Maryland. White Marlin is a major attraction of deep-sea fishing and pulls in tourists from all over the East Coast.

Average Length of Stay: 2-3 days.

Variability in Data: The camping budget should vary only 5-10% from the \$6.00 expenditure figure.

Occupancy Rate: Summer Private - 80-85%
 Public (state) - 90-100%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews in the State--specifically in this case, the Eastern Shore--form the basis of our expenditure figures. Interviews in the Eastern Shore were conducted with campers, camp owners, and State park administrators.

Food stores and restaurants roughly average out for the food expenditure segment of the camper's budget and constitute roughly one third of his daily expenditure. Campsite charges are among the highest in the State and consume another one fourth of the daily budget.

Added costs of fishing are reflected in the increased retail stores sales.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Hunting	West. Appal.	Second Homes
	G	I	2

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>-</u>
	2. camping areas	<u>-</u>
	3. rental homes	<u>5.00</u>
B. Food and Beverage:	4. food stores	<u>2.00</u>
	5. eating and drinking places	<u>1.00</u>
	6. liquor stores	<u>.50</u>
C. Transportation:	7. gas stations and repairs	<u>.50</u>
	8. local transportation	<u>-</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>-</u>
D. Other:	12. communication	<u>-</u>
	13. miscellaneous retail stores	<u>2.00</u>
	14. personal services	<u>-</u>
	15. miscellaneous business services	<u>-</u>
	16. amusement and recreation	<u>2.00</u>

TOTAL..... \$13.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.44	.70
Income (1972 \$)	\$ 1,588.80	\$ 3,305.09
Sales (1972 \$)	14,179.65	21,749.65
Tax Revenues (1972 \$)	600.62	783.75

III. CHARACTERISTICS

Seasonality: Hunting season is regulated by the State; therefore, dates for seasonality are dependent on the established hunting periods.

Origin: Pittsburgh, Pennsylvania offers a substantial market to the Deep Creek Lake area as does the Washington/Baltimore metropolitan area. The figure of origin is about 60% out-of-state; 40% in-state.

Average Length of Stay: Renters - approximately one week.
Owners - average 2-3 days.

Variability in Data: Variances in our expenditure figures can be expected to be high as the expenditures are dependent on varying income levels. Changes of \pm 30% are probable.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The figure for the daily cost of a rental home is based on estimates obtained from the Real Estate Department of the Baltimore Sun. A monthly rate is divided into day rates and further into per person rates using a family unit as 3.5-4 persons. The remainder of the data was obtained from interviews with tourist-associated people throughout the State.

Expenditures for food are in both categories of restaurants and food stores. The expenditure for food stores is higher reflecting at-home eating. Other expenses are those encountered by the typical vacationing family. Hunting supplies and license costs are reflected in the increased retail stores and recreation categories.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Hunting	West. Appal.	Campsites
	G	I	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	2.00
TOTAL.....		\$ 7.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.39	.59
Income (1972 \$)	\$1,356.42	\$ 2,585.11
Sales (1972 \$)	7,980.82	13,302.76
Tax Revenues (1972 \$)	354.46	490.41

III. CHARACTERISTICS

Seasonality: Hunting season is regulated by the State; therefore, dates for seasonality are dependent on the established hunting periods.

Origin: Camping hunters to Western Appalachia re drawn primarily from the regular markets servicing the area--Pittsburgh, Washington and Baltimore.
Breakdown of hunters: 50% in-state
50% out-of-state

Average Length of Stay: 1-2 days.

Variability in Data: Variance from the \$7.00 expenditure figure should average 5-10%.

Occupancy Rate: Summer Private - 75%
Public (state) - 80-90%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with both campers and camp owners provide the basis for our expenditure figures.

The breakdown of expenses for food and campsites is similar to those of other activity campers. The increase in the total expenditure figure reflects an increase in amusement and recreation and in miscellaneous retail stores. The increase is attributable to the purchasing of supplies and licenses.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Hunting	East. Appal.	Campsites
	G	II	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	2.00
	TOTAL.....	\$ 7.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.38	.58
Income (1972 \$)	\$1,409.17	\$ 2,684.50
Sales (1972 \$)	7,893.05	13,515.56
Tax Revenues (1972 \$)	358.16	500.41

III. CHARACTERISTICS

Seasonality: Hunting season is regulated by the State; therefore, dates for seasonality are dependent on the established hunting periods.

Origin: The markets servicing Eastern Appalachia are Southern Pennsylvania, Metropolitan Baltimore, and Metropolitan Washington. Out-of-state tourists only account for some 20% of hunting visitors.

Average Length of Stay: 1-2 days.

Variability in Data: Variance from the \$7.00 expenditure figure should average 5-10%.

Occupancy Rate: Summer Private - 75%
 Public (state) - 80-90%

IV. BASIS FOR EXPENDITURE FIGURES

Interviews with both campers and camp owners provide the basis for our expenditure figures.

The breakdown of expenses for food and campsites is similar to those of other activity campers. The increase in the total expenditure figure reflects an increase in amusement and recreation and in miscellaneous retail stores. The increase is attributable to the purchasing of supplies and licenses.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Hunting	So. Md.	Campsites
	G	V	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	2.00

TOTAL..... \$ 7.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.43	.67
Income (1972 \$)	\$1,644.96	\$ 3,122.89
Sales (1972 \$)	7,919.31	13,912.08
Tax Revenues (1972 \$)	376.32	537.03

III. CHARACTERISTICS

Seasonality: Hunting season is regulated by the State; therefore, dates for seasonality are dependent on the established hunting periods.

Origin: Southern Maryland draws its hunters mainly from the Washington/Baltimore metropolitan areas. 80% of Southern Maryland hunters are estimated to be from within the State.

Average Length of Stay: 1-2 days.

Variability in Data: Variance from the \$7.00 expenditure figure should average 5-10%.

Occupancy Rate: Summer Private - 65-75%
 Public (state) - 90-95%

IV. BASIS FOR EXPENDITURE FIGURE

Interviews with both campers and camp owners provide the basis for our expenditure figures.

The breakdown of expenses for food and campsites is similar to those of other activity campers. The increase in the total expenditure figure reflects an increase in amusement and recreation and in miscellaneous retail stores. The increase is attributable to the purchasing of supplies and licenses.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Hunting	Up. East. Sh.	Hotel/Motel
	G	VI	1

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u>10.00</u>
	2. camping areas	<u>-</u>
	3. rental homes	<u>-</u>
B. Food and Beverage:	4. food stores	<u>-</u>
	5. eating and drinking places	<u>7.00</u>
	6. liquor stores	<u>1.00</u>
C. Transportation:	7. gas stations and repairs	<u>2.00</u>
	8. local transportation	<u>-</u>
	9. water transportation	<u>-</u>
	10. auto rental	<u>-</u>
	11. parking	<u>-</u>
D. Other:	12. communication	<u>-</u>
	13. miscellaneous retail stores	<u>4.00</u>
	14. personal services	<u>-</u>
	15. miscellaneous business services	<u>2.00</u>
	16. amusement and recreation	<u>4.00</u>

TOTAL..... \$ 30.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	2.82	3.67
Income (1972 \$)	\$ 9,701.74	\$15,269.23
Sales (1972 \$)	35,422.98	59,816.82
Tax Revenues (1972 \$)	2,241.69	2,852.83

III. CHARACTERISTICS

- Seasonality: The seasonality of hunting is dependent solely on the published hunting seasons issued by the State.
- Origin: Duck hunting in the Upper Eastern Shore is a nationally-prominent sport drawing hunters from all over the country.
- Average Length of Stay: 2-3 days - average length of stay during peak of hunting season.
- Variability in Data: A high variance in data--as much as 60%-- is possible as the economic levels of Upper Eastern Shore hunters is quite disparate.
- Occupancy Rate: 100% in season; 70% out of season.

IV. BASIS FOR EXPENDITURE FIGURES

Our expenditure figures are based on interviews conducted in and around the major hunting areas of the Upper Eastern Shore.

Expenditure for hunting activities rank high on the list of most costly activities. Typically, lodging and food are the major expenses. Retail sales and amusement/recreation categories show high expenses due to the high costs of renting blinds, purchasing hunting material and hiring guides.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Hunting	Up. East. Sh.	Second Homes
	G	VI	2

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	-
	3. rental homes	5.00
B. Food and Beverage:	4. food stores	2.50
	5. eating and drinking places	1.50
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	4.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	4.00
	TOTAL.....	\$18.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.87	1.31
Income (1972 \$)	\$ 3,450.87	\$ 6,291.70
Sales (1972 \$)	20,013.53	32,463.38
Tax Revenues (1972 \$)	882.34	1,192.45

III. CHARACTERISTICS

Seasonality: Hunting season is regulated by the State; therefore, dates for seasonality are dependent on the established hunting periods. Duck hunting is the major attraction in the Upper Eastern Shore. This tremendously busy season peaks in the fall months.

Origin: The origin of Upper Eastern Shore's second-home owners is the most varied in Maryland. The affluence of the area is widely known and its residents are drawn from all over the country.

Average Length of Stay: Renters - approximately one week.
Owners - average 2-3 days (weekends).

Variability in Data: Variances in our expenditure figures can be expected to be high as the expenditures are dependent on varying income levels. Changes of $\pm 30\%$ are probable.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

The figure for the daily cost of a rental home is based on estimates obtained from the Real Estate Department of the Baltimore Sun. A monthly rate is divided into day rates and further into per person rates using a family unit as 3.5-4 persons. The remainder of the data was obtained from interviews with tourist-associated people throughout the State.

Expenditures for food are in both categories of restaurants and food stores. The expenditure for food stores is higher reflecting at-home eating. Other expenses are those encountered by the typical vacationing family. Hunting supplies and license costs are reflected in the increased retail stores and recreation categories.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Hunting	Up. East. Sh.	Day Trips
	G	VI	3

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1.	hotels/motels	\$ <u>-</u>
	2.	camping areas	<u>-</u>
	3.	rental homes	<u>-</u>
B. Food and Beverage:	4.	food stores	<u>-</u>
	5.	eating and drinking places	<u>2.00</u>
	6.	liquor stores	<u>-</u>
C. Transportation:	7.	gas stations and repairs	<u>1.00</u>
	8.	local transportation	<u>-</u>
	9.	water transportation	<u>-</u>
	10.	auto rental	<u>-</u>
	11.	parking	<u>-</u>
D. Other:	12.	communication	<u>-</u>
	13.	miscellaneous retail stores	<u>1.00</u>
	14.	personal services	<u>-</u>
	15.	miscellaneous business services	<u>-</u>
	16.	amusement and recreation	<u>2.00</u>
TOTAL.....			<u>\$ 6.00</u>

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.52	.71
Income (1972 \$)	\$1,805.57	\$ 3,004.40
Sales (1972 \$)	7,019.56	12,210.23
Tax Revenues (1972 \$)	472.93	607.07

III. CHARACTERISTICS

Seasonality: Hunting season is regulated by the State; therefore, dates for seasonality are dependent on the established hunting periods. Duck hunting is the major attraction in the Upper Eastern Shore. This tremendously busy season peaks in the fall months.

Origin: Duck hunters will come to the Upper Eastern Shore area primarily from metropolitan Washington/Baltimore.

Average Length of Stay: Not applicable.

Variability in Data: A low variance is probable as expenditures for one day are fairly fixed with the possible exception of an above-average purchase.

Occupancy Rate: Not applicable.

IV. BASIS FOR EXPENDITURE FIGURES

Our expenditure figures are based on interviews with tourist-related businesses in the Upper Eastern Shore region.

Food purchases by the tourists will be in eating and drinking establishments as the nature of the trip calls for eating in restaurants. Gas bills are larger than average because of the inability to average out the cost over additional days. The extra costs of hunting supplies and licenses are reflected in the increase in the amusement and recreation expenditure.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Hunting	Up. East. Sh.	Campsites
	G	VI	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ -
	2. camping areas	1.00
	3. rental homes	-
B. Food and Beverage:	4. food stores	1.00
	5. eating and drinking places	1.00
	6. liquor stores	.50
C. Transportation:	7. gas stations and repairs	.50
	8. local transportation	-
	9. water transportation	-
	10. auto rental	-
	11. parking	-
D. Other:	12. communication	-
	13. miscellaneous retail stores	1.00
	14. personal services	-
	15. miscellaneous business services	-
	16. amusement and recreation	2.00

TOTAL..... \$ 7.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.48	.68
Income (1972 \$)	\$1,811.23	\$ 3,129.92
Sales (1972 \$)	8,036.52	13,768.62
Tax Revenues (1972 \$)	385.76	532.42

III. CHARACTERISTICS

Seasonality: Hunting season is regulated by the State; therefore, dates for seasonality are dependent on the established hunting periods. Duck hunting is the major attraction in the Upper Eastern Shore. This tremendously busy season peaks in the fall months.

Origin: Hunting campers are drawn to duck hunting from throughout the East. It is estimated that Maryland provides 50% of duck hunters while the remaining 50% are drawn from other East Coast states.

Average Length of Stay: 1-2 days.

Variability in Data: Variance from the \$7.00 expenditure figure should average 5-10%.

Occupancy Rate: Summer Private - 70-75%
 Public (state) - 85-90%

IV. BASIS FOR EXPENDITURE FIGURE

Interviews with both campers and camp owners provide the basis for our expenditure figures.

The breakdown of expenses for food and campsites is similar to those of other activity campers. The increase in the total expenditure figure reflects an increase in amusement and recreation and in miscellaneous retail stores. The increase is attributable to the purchasing of supplies and licenses.

TOURIST PROFILE

	ACTIVITY	REGION	ACCOMODATION
Tourist Type:	Hunting	Lo. East. Sh.	Campsites
	G	VII	4

I. AVERAGE DAILY EXPENDITURE:

A. Lodging:	1. hotels/motels	\$ <u> -</u>
	2. camping areas	<u> 1.00</u>
	3. rental homes	<u> -</u>
B. Food and Beverage:	4. food stores	<u> 1.00</u>
	5. eating and drinking places	<u> 1.00</u>
	6. liquor stores	<u> .50</u>
C. Transportation:	7. gas stations and repairs	<u> .50</u>
	8. local transportation	<u> -</u>
	9. water transportation	<u> -</u>
	10. auto rental	<u> -</u>
	11. parking	<u> -</u>
D. Other:	12. communication	<u> -</u>
	13. miscellaneous retail stores	<u> 1.00</u>
	14. personal services	<u> -</u>
	15. miscellaneous business services	<u> -</u>
	16. amusement and recreation	<u> 2.00</u>

TOTAL..... \$7.00

II. IMPACT/1000 TOURISTS

	<u>In Region</u>	<u>In State</u>
Jobs (Man-Years)	.49	.70
Income (1972 \$)	\$1,870.71	\$ 3,188.77
Sales (1972 \$)	8,285.91	14,040.12
Tax Revenues (1972 \$)	385.96	532.43

III. CHARACTERISTICS

Seasonality: Hunting season is regulated by the State; therefore, dates for seasonality are dependent on the established hunting periods.

Origin: The Eastern Shore draws its hunters from a close range area. It is estimated that 60-70% of the camping hunters are from within the State. The remainder come primarily from the other Delmarva states.

Average Length of Stay: 1-2 days.

Variability in Data: Variance from the \$7.00 expenditure figure should average 5-10%.

Occupancy Rate: Summer Private - 80-85%
 Public (state) - 90-100%

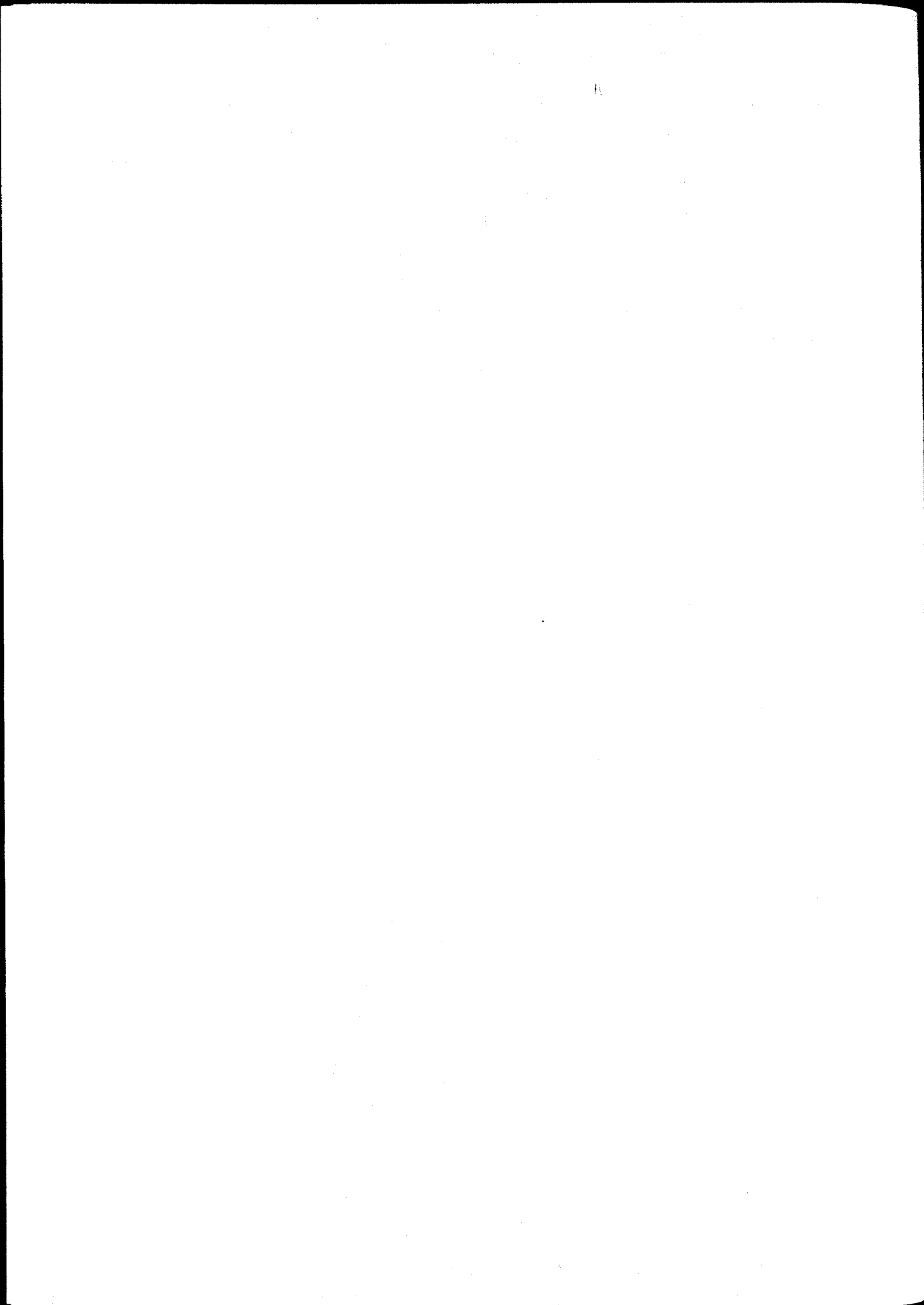
IV. BASIS FOR EXPENDITURE FIGURES

Interviews with both campers and camp owners provide the basis for our expenditure figures.

The breakdown of expenses for food and campsites is similar to those of other activity campers. The increase in the total expenditure figure reflects an increase in amusement and recreation and in miscellaneous retail stores. The increase is attributable to the purchasing of supplies and licenses.

APPENDIX B

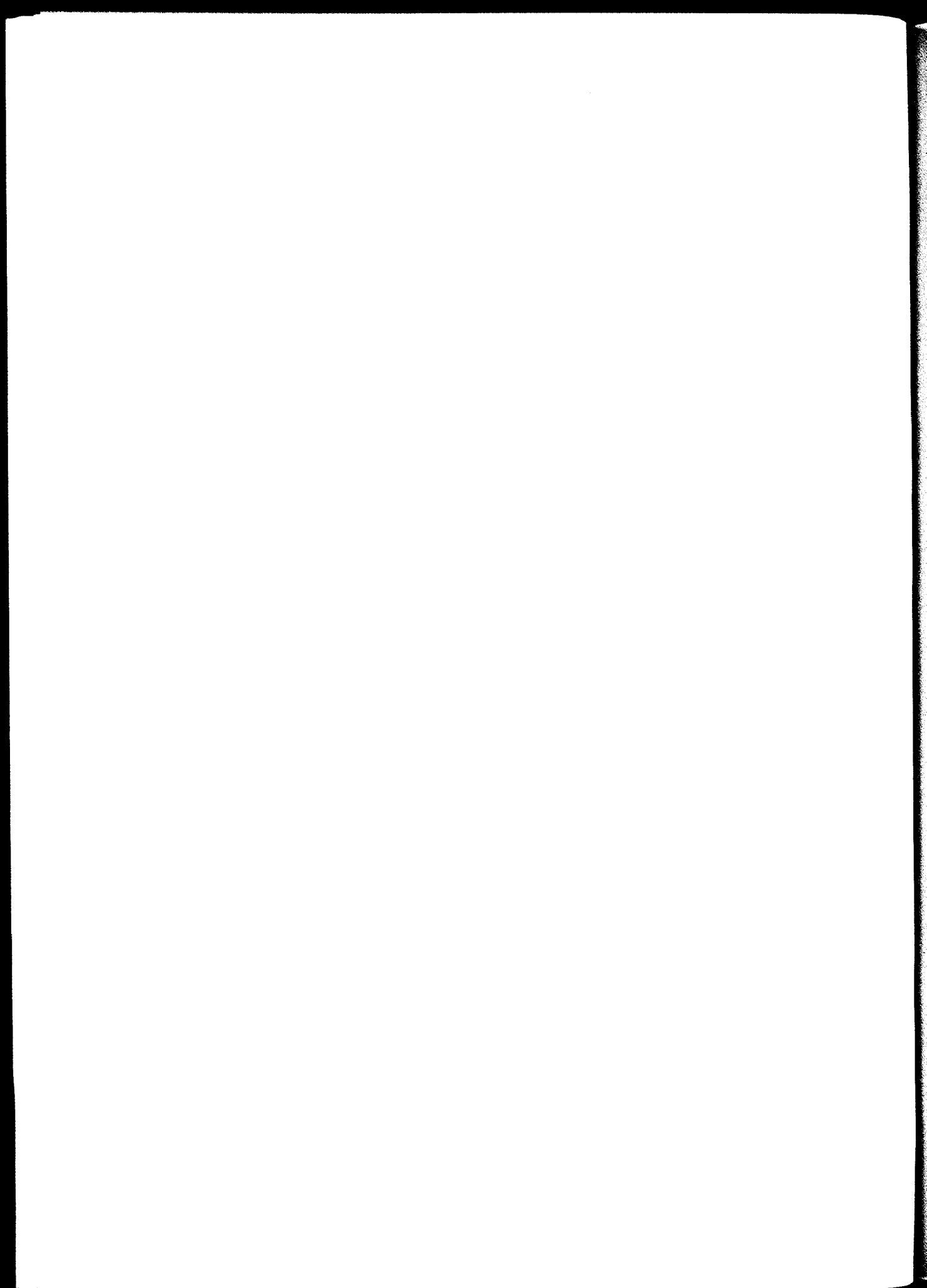
REGIONAL PROFILES



APPENDIX B
REGIONAL PROFILES

TABLE OF CONTENTS

	<u>Page</u>
I. WESTERN MARYLAND	B-1
II. EASTERN APPALACHIA	B-11
III. METROPOLITAN WASHINGTON	B-18
IV. SOUTHERN MARYLAND	B-22
V. METROPOLITAN BALTIMORE	B-28
VI. UPPER EASTERN SHORE	B-33
VII. LOWER EASTERN SHORE	B-38



I. WESTERN MARYLAND

(Garrett and Allegany Counties)

A. TOURIST ATTRACTIONS

For visitors to Western Maryland, the principal attraction is outdoor recreation. The terrain provides mountains for hiking, hunting and skiing, rivers for fishing and lakes for a variety of water-based recreation. These attractions are fully exploited in Garrett County around Deep Creek Lake. Other sites of the two-county area have not fully developed their tourism potential.

The formation of Deep Creek Lake in the 1920's provided Maryland with its largest lake, and recreation-based developments began to be centered on the lake. Land was sold for summer cottages along the lake, and the vicinity was extensively used by people from the Pittsburgh area.

In the middle 1950's, the Wisp Ski Area began operation, and summer was no longer the only recreational season for the area. Altitude and western location combine to provide substantial snowfall and, therefore, a ski season of about 110 to 120 days. Skiers come primarily from Washington, Baltimore and Pittsburgh and the ski area is one of the largest serving these metropolitan areas. Pittsburgh is close enough for a day trip; the Washington-Baltimore area is far enough away for a weekend trip.

Other activities in the area are general outdoor recreational pursuits: hiking, hunting, fishing and camping. The Savage River State Forest and several state parks provide space suitable for these activities; and, in addition to these state lands, private open lands are used for hunting.

Allegany County also contains large amounts of underdeveloped land for hiking and hunting, but the lack of large lakes has not attracted tourists to the same extent that Deep Creek Lake has attracted people to Garrett County.

There has been some effort in the region to promote special events--the Fall Foliage Festival and Historic Days in Cumberland--but not too much emphasis has been placed on further development of these types of festivities.

B. FACILITIES

In Garrett County, overnight accommodations are located between McHenry and Oakland, along U. S. Route 219. Most of these are clustered as close to Deep Creek Lake as possible. In summer, there would appear to be a shortage of rooms for weekends. On the major weekends (July 4 and Labor Day) every room is taken by mid-morning, according to records kept by the Promotion Council's referral service. Presently, several motels are undertaking major expansion programs; however, the Deep Creek Lake area, in summer, seems to attract sufficient numbers so that there is under-capacity in hotel/motel space. However, even with skiing in the winter, the major inflow of visitors to the region is confined to the summer months.

Generally felt to be lacking are facilities for evening entertainment. In summer, there is a theater company in Garrett County, but other than that, there is one drive-in movie and not much else. The area needs some good restaurants and nightclub/evening entertainment establishments. Being in Appalachia, perhaps a country music establishment would prove to be popular with tourists. In winter, evening entertainment is almost

completely lacking. Skiers are no longer the diehards who skied all day and slept all night in order to hit the slopes the next day as soon as the lifts opened. They now want to be entertained at night; experience at other resorts shows that they want sophisticated entertainment, and will pay for it.

Restaurant facilities also are not abundant in the area. There is a well-recommended French restaurant in Grantsville and some of the Deep Creek Lake motels have restaurant operations; however, there are no outstanding restaurants in the area. No visitor need go hungry--but nobody is going to make the trip for the food.

The skiing facilities are very good. The mountain has a variety of terrain and is well served with lifts. For weekend skiing, the area is in a very good, competitive position. For longer vacations, and for the serious skier, areas which are further away will attract skiers from Pittsburgh, Washington and Baltimore. The economics of the Garrett County ski business is the same as for the rest of the East. Utilization is principally on weekends, and the New Year and Washington's birthday weekends can make or break the season. Recently, the main lack at the area is air compressor capacity for snowmaking. The area is well covered by piping, but additional compressor capacity is required for major snowmaking operations.

Camping is a major means of staying overnight in the regions. There are private campgrounds and camp areas in the state parks. The prime sites are those with access to the lake. They are the first filled, sometimes to overflowing. Outlying camping areas are well utilized on weekends and, during the week, they are often filled by people coming through the area looking for a place to spend a single night.

Deep Creek Lake has been a center of second homes in the form of the cottages around the lake. These have been primarily owned by people from the Pittsburgh area. But as highway access from the East has improved, there has been a substantial increase in the owners of "second homes" from the Washington and the Baltimore areas. These people tend to have higher incomes than the cottage owners and are buying condominiums, land in planned single-family communities, and farms. Presently, land can be sold almost instantly and prices have been rising dramatically. The remaining lots which have access to the lake go for fabulous prices, but there is not much undeveloped lake shore left.

Although there are some potential historical sites in Garrett County, they are quite undeveloped. The Historical Society is not very active and has virtually no budget. There are several bridges and other remains of the National Toll Road; however, except for a few roadside markers, these resources have not yet been exploited.

History gets a bit more of a play around Cumberland, and historical resources are most obvious. George Washington's headquarters is in a small part in downtown Cumberland, the first toll house on the National Toll Road is on Route 40, and the Historical Society has put together an interesting museum of local history. These resources are not particularly well coordinated, the sites are scattered, and the way to see things is to arrange a tour through Operation Gateway. But at present, there is nothing to hold the tourist passing through, since it requires quite a bit of effort to discover what there is to see and then to see it.

C. PENDING DEVELOPMENTS

The tourist potential of the Western Maryland region is going to be substantially increased with improved east/west highway access. The completion of "Corridor E" will open up the section to the Washington-Baltimore areas and will substantially improve access from Ohio metropolitan areas. Presently, traffic from the midwest bypasses the region by following Interstate 70. However, "Corridor E" will bring many tourists through the region and the attractions in the vicinity can be developed so visitors remain for a day or more.

Garrett County will attract additional people simply because of the lakes and associated outdoor recreational opportunities; sightseeing could be made more attractive by restoration of portions of the National Toll Road.

The Cumberland area will soon have a major sightseeing attraction, with the development and restoration of the Chesapeake and Ohio Canal by the National Park Service. Present plans include the development of six Visitor Centers placed at the most significant engineering features of the canal. Two of these are in Allegany County: the terminus of the Canal, in Cumberland; and the Paw Paw Tunnel, east of Cumberland.

The National Park Service intends to develop major attractions at these two sites. Sections of the Canal will be restored. Trips along sections of the Canal will be possible, and the Visitor Centers will have historical displays. The Park will also offer recreational facilities, such as hiking, boating, fishing, horseback riding and tent-type camping facilities.

These developments will greatly improve the attractiveness of the Allegany County area for tourists. The proposed C&O Canal Park will draw many tourists traveling to Washington and will probably attract people who have come to see other historical attractions in Eastern Maryland and Virginia. The development of the east/west corridor through Allegany County will also mean that these attractions will be just off the road; so, for a large segment of the market, no side trip will be involved. Also, improved access will increase the potential for visitors to Washington to also visit Allegany County for an overnight trip.

The outdoor recreational activities in the Park will also greatly increase the attractiveness of the area for day and weekend visitors from Baltimore and Washington.

Cumberland would appear to be in a very good position to build on the attractions which will be created by the National Park Service. Cumberland could develop a series of displays, based on transportation. The start of the National Toll Road in the Narrows of Willis Creek could serve as a natural focal point. An interesting attraction could be developed in cooperation with the B&O Railroad, where a display or observation platform could be erected from which visitors could watch, and have explained, the activities of B&O's main Cumberland yards. A complete study of transportation history could be provided within the Cumberland area. Cumberland might also be a choice location for a railroad museum erected as a complement to the displays which will be at the C&O Canal Terminus Visitor's Center.

Developments around the Paw Paw Tunnel area for the Canal Park will greatly increase the attractions in the eastern part of Allegany County.

Developments in the Canal Park will improve access to the Potomac River for boating and fishing. The Paw Paw Tunnel area is at the southern end of the Green Ridge State Forest. The Canal developments should also substantially increase use of that State Forest complex. The State might well develop facilities in the State Forest to complement the Canal Park, such as hiking trails, camping facilities, riding trails and swimming facilities.

D. CONFLICTS FACING TOURISM DEVELOPMENT

In Western Maryland there does not appear to be any conflict with tourism-recreation and other portions of the economic base. Garrett County recognizes the importance of visitors to the economy and the limited opportunities for industrial expansion. However, the many actors in tourism development have different views as to what is best for the region. Some wish to proceed with development unconstrained by any planning considerations; others contend that the resources which bring tourists into the area must be protected and development must be carefully planned and controlled. Deep Creek Lake is approaching its capacity for recreation on weekends. If tourism is to continue to grow, then other lake resources will probably have to be developed. There are some potential flood control reservoirs which are being considered. These would expand the available flat water resources. Water recreation does appear to be the greatest attraction for the area today and for the future.

The state may be able to remove some of the pressure on Deep Creek Lake with development of the Savage River Reservoir. But this solution raises

the issue of how much development should take place in a State Park and in a State Forest. Should these lands be considered income-producing resources for the region, or should they be held as wild areas? Should development be carried out by the state, or should state land be leased to private operators" Existing private operators are very wary of competition from the state, and the cost advantages which the state might have. However, the State Park Plan of January 1966 recommends maintaining Savage River as a "natural environmental area".

Tourism in Allegany County is not highly developed and little conflict has come up. Currently, the only difficulty seems to be the location of the Visitor Center for the C&O Canal Terminus. One group wants it located in town, at the historical terminus; the other group, which includes the National Park Service, wants the Center at the first existing locks, about five miles east of town.

However, the development of the C&O Canal Park will, most likely, bring pressures for commercial development along the boundaries of the Park. The Park Service would like to see this type of development controlled and restricted, with motel developments located around the interchanges of the interstates. Much of the attractiveness of the C&O Canal Park will depend on the preservation of rural land outside the boundaries of the Park.

The principal conflict on tourism development in this region seems to be whether development should be planned and controlled, or scattered and determined entirely by individual interests.

E. LOCAL REACTION TO THE STATE'S ROLE IN TOURISM

In Western Maryland, it is hard to separate the attitudes toward the state government in general with specifics about tourism development. The general complaint is that "they don't even know we're out here". After someone has driven from Garrett County to Annapolis and they say to somebody that they are from Western Maryland, they are somewhat miffed by the usual rejoinder to the effect, "Oh yes, isn't Frederick nice".

However, there are some specific complaints about the performance of certain state agencies. There were some complaints about lack of an extensive program of fish stocking in Deep Creek Lake. Also, there were complaints about the lack of state enforcement of boating regulations and the flow of funds from boat sales and titling taxes and boat licensing fees to the region. (Again, the fact that the agency they deal with in these matters is the Department of Chesapeake Bay Affairs leaves the Westerners feeling a little left out.)

Many feel that the Highway Department has been less than cooperative in providing informational signs at highway turn-offs and overlooks. The Maryland Association of Campgrounds has won a major victory in getting a few blue triangular camping signs posted on highways. In terms of tourist development, more scenic overlooks were felt to be needed. In general, the Highway Department was not felt to be responsive to requests; if made, they just entered the system and never emerged with either a positive or a negative reaction. These perceptions may or may not be justified by actual facts, but the state's public image in the western two counties is not all good.

The promotional efforts of the Tourism Division were felt to be granted to attractions in the eastern part of the State. Another principal complaint was that the State did not advertise Western Maryland in the Baltimore-Washington area, so potential visitors to Western Maryland are going instead to Pennsylvania or Virginia. However, perhaps advertising within the State should be handled exclusively by the localities themselves.

Many also felt that, in comparison with neighboring states, Maryland's State Parks were way behind in facilities and development. Both Pennsylvania and West Virginia were felt to have much better park systems and that these states were doing much more to develop their park systems and attract visitors into them.

These issues all raise some very fundamental questions as to the direction of the development of the State and its regions. If the State seeks to increase economic opportunities in Western Maryland, particularly in Garrett County, then a major part of that improvement will have to come from tourism. If the State seeks to limit development to hold State-owned lands in a wild state, then the amount of economic growth in the region could be severely restricted.

II. EASTERN APPALACHIA

(Washington and Frederick Counties)

A. TOURIST ATTRACTIONS

For visitors to the Eastern Appalachian region of Maryland, there are a number of different types of attractions. There are outdoor recreation resources in Coctoctin National Park and in several State Parks and Forests. Sightseeing is a major attraction with the Antietam Battlefield in Sharpsburg. There are also many other historical sites in the region, but they are quite scattered and undeveloped. The region has also had a good deal of success in promoting special events such as those at Coctoctin National Park and the revolutionary war events at Fort Frederick State Park.

Antietam Battlefield must be considered the major historical attraction in the region. The Battlefield is operated by the National Park Service, which estimates that about 400,000 visitors came last year and anticipates more than a million visitors within the decade. The Battlefield is of national significance and people come from all over the country to see it. It is even carefully studied by foreign scholars and military officers.

Outdoor recreation is generally limited to hiking and camping. The Appalachian Trail runs along the boundary between the two counties. Hunting is somewhat limited, since most of the open land in the region is intensively farmed. Water sports are limited to the slack water sections of the Potomac and to smaller ponds and lakes. Fishing is popular on the Potomac and other

rivers and streams. The region also has commercial riding facilities available and good bridle trails in the state parks and forest lands.

The region has excellent major highways with Interstate 70 serving as an east-west route which is traveled by large numbers of tourists going to Washington, D. C., from the midwest. Interstate 81 forms a major north-south route, which is used by tourists enroute to and from the South in order to avoid the congestion found on Interstate 95 to the east. Interstate 81 also provides a more scenic route through the mountains. Thus, the region has great potential for attracting people who are going through the area.

There is a small ski area at Braddock Heights, but its low elevation and eastern location limit its potential. The season is short and often broken by thaws. Temperatures in the area often preclude snow-making, which is absolutely necessary for any ski area to be successful in the East.

B. FACILITIES

The region is well supplied with hotel/motel accommodations. The Interstates have induced several large motel chains to construct facilities at the interchanges of the highway, particularly around Frederick and Hagerstown. During the week, these facilities are used by business travelers so that there is substantial space available for weekend visitors. The region also has several restaurants which are very popular with many people coming from Baltimore or Washington for a meal on the weekends. It is a natural area for a pleasant day's drive in the country for people from these cities.

The facility which is most lacking in attracting people into the region for recreation is a large lake. The popularity of water-based recreation means that the lack of it sends people to places which have lakes or ocean beaches. Many people in the region travel outside the state to find large lakes for swimming and boating.

The Antietam Battlefield is very well developed, with roads and marked trails through the area, signs explaining the battle and sequence of events, a small museum at the visitor's center and illustrated lectures about the battle. One of the problems with the area is the lack of eating facilities close to the battlefield. A visitor can easily spend the entire day there and unless he has packed a lunch he may become very hungry. The town of Sharpsburg is very undeveloped and it would seem possible to develop several good eating places as part of general historical restoration of the town. This must be done very carefully, since one of the attractions is that the countryside in the area is basically unchanged from the time of the Civil War.

Other historical sites in the region are scattered and there is no coordinated means of seeing them. There are walking tours in Frederick but many of the sites of historical interest are outside the city. Last year, a travel agency in Hagerstown attempted to run a series of bus tours of historical sites in Washington County. In spite of promotion, there was not sufficient interest to support these tours. If these tours could be run on an experimental basis around either the Hagerstown or Frederick area for a spring or fall, they might catch on. The tours would have to be regular and go even if only one person showed up at first. Frederick would

probably be the better site for an experiment, since it is much closer to Washington and Baltimore.

Camping facilities are available to a reasonable extent, but there is not very great demand for sites, since the attractions are not particularly camper-oriented (i.e., outdoor recreation). However, there has been a substantial expansion of demand for campsites nationally in the last few years with the tremendous increase in vehicle camping. This trend should bring many sightseers with travel trailers and campers to the region in the future. Presently, the campsites in the region do a good business. Some people use them as a base for visiting Washington, D. C. Since most of the region is within an hour or so of the Capital, and there is a scarcity of campsites around the Capital, campers visiting the Capital could form a major market for the campsites in the region.

Second homes have not been a major factor in the region, largely due to the lack of water recreation opportunities. Second homes generally thrive with a general outdoor recreation base. The historical sites in the area are not going to attract second homes. There is a great deal of residential building in the area, but it is for permanent homes and part of the growth of the metropolitan corridor. Lake Linganore is a new community in Frederick County which has developed many recreational amenities but this community's appeal appears to be for permanent homes which are still close to Baltimore and the Beltways.

C. PENDING DEVELOPMENTS

The region will be having a major attraction for tourists developed in the next few years--the Chesapeake and Ohio Canal Park of the National Park Service. The Park will be a combination of historical exhibits about the Canal and outdoor recreation activities along the route of the Canal. The region will have three of the six visitor centers which are planned for the Park--the Monocacy River Aqueduct, Harpers Ferry (the Canal is on the Maryland side of the River), and the Four Locks area at Fort Frederick. The Canal Park will be a major attraction and draw visitors from all over the country. It will be unique in that there will be a combination of sightseeing and outdoor recreation activities.

The visitors to the Park will substantially increase the number of visitors to the area and the demand for lodgings, camping space, meals, etc. The intent of the Park is to provide activities for which it will be desirable to rent equipment, such as bicycles, horses and boats. One of the features of the Park will be to bicycle, hike, or ride a section of the Park, and then be driver back to the starting point to pick up the car. The provision of these "ferry" services will be a potential generator of income in the region. The Park Service hopes that these services can be developed by private interests, possibly with leasing or concession arrangements on federal land.

The National Park Service has also decided to only develop camping for tenters and backpackers. Thus, the areas which will be used by vehicle campers will be provided by the private sector.

The development of some of the visitor centers will require substantial improved access roads, which will have to be provided by the State. The biggest access problem will be with the Monocacy Aqueduct. There are no state highways to the site at present. Also, the development of the Four Locks area at Fort Frederick will greatly increase the use of the State Park and the visitors to the Fort.

The development of the Park will also provide substantial increases in the opportunities for water recreation in the region. Sections of the Canal will be available for boating and fishing and access to slack water sections of the Potomac will be greatly improved.

The Canal will also improve the opportunities for the development of historical sites in other communities along the River. Hancock, Williamsport and Brunswick are interesting towns which could be restored and made interesting places for visitors.

D. CONFLICTS FACING TOURISM DEVELOPMENT

The only conflict centering on tourism development is the nature and extent of commercial development which should take place in the area just north of the Canal and around Sharpsburg. Much of the attraction of the area depends on the open rolling farm land and woods along the River. Some would like to see development of the area restricted to the area around the Interstate interchanges and the land along the River remain undeveloped. The presence of rearing golden arches, whirling chicken buckets and giant root beer mugs would destroy much of the attraction of the area.

There is presently consideration of making Sharpsburg into a historical district under Maryland law and the National Park Service would like to expand the area covered by the Battlefield Park and preserve much of the land through scenic easement zoning.

Preservation need not mean a lack of development. Existing towns and villages can be renovated to provide services for visitors. New structures can certainly be designed to be consistent with their surroundings in existing built-up areas.

The basic question in this issue is just how much control the government should have over private development. To restrict development in this area will limit the amount of residential construction as well as more blatant commercial structures. Already the eastern portion of Frederick County is beginning to feel pressure of suburban expansion from the east. These pressures are likely only to grow, so that if preservation is to be undertaken, it should be initiated very soon.

E. LOCAL REACTION TO THE STATE'S ROLE IN TOURISM

The general reaction to the State's role was that the State was very cooperative and a great help in promoting tourism. However, there was considerable complaint about the lack of cooperation from the highway department in putting up information signs about available facilities at highway rest areas. The camping operators have been able to get a few signs posted on the Interstate and on state highways. Some of the highway department's reluctance can be appreciated, since these signs are not strictly a transportation function but are really a tourism function.

III. METROPOLITAN WASHINGTON

(Montgomery and Prince Georges Counties)

A. TOURIST ATTRACTIONS

The basic attraction of this region is Washington, D. C. The Capital is one of the nation's largest tourist attractions, but problems in the city, ranging from parking difficulties to crime, have resulted in many tourists preferring to stay in outlying motels in Maryland or Virginia. However, there will always be considerable demand for downtown accommodations in the District, since there will be a larger variety of night entertainment in the city.

The recreational opportunities in the region are limited and are directed primarily toward the local population. There are some lakes and the Potomac River that provide some water-recreation opportunities. The Patuxent River, which forms part of the eastern boundary of Prince Georges County, provides access to the Chesapeake Bay.

Presently, one of the main recreational areas is the Chesapeake and Ohio Canal area. The National Park Service has completed a visitor's center at Great Falls. This area is proving to be very popular, but so far is not a major historic site tourist attraction.

B. FACILITIES

The region is well supplied with motels, especially around the Beltway. These are predominantly used by businessmen, but more tourists are beginning to use them. These motels have good restaurants and do a good business.

The region has many historical sites but few are of national importance or interest. There are some special interest displays in the region, such as the museum at the Bureau of Standards. There is also a Streetcar Museum which has proved to be popular with people in the area.

There are some parks in the region, but they presently serve as recreational areas for the local population. Green Belt Park has one good camping area but camping facilities are quite undeveloped in the region. Camping is one of the nation's fastest-growing recreational activities. There would appear to be substantial potential in the region for camping oriented to Washington visitors.

C. PENDING DEVELOPMENTS

There is one major development which will greatly increase the attractiveness of the region for tourists--the development of the Chesapeake and Ohio Canal Park. Presently, the Canal is semi-developed in the Great Falls area and is being extensively used from the Great Falls into Georgetown.

The Great Falls visitor center is the only one planned for the region, but its closeness should make it the most used. However, its use will most likely be in the form of day trips from Washington, so that its economic impact will not be as great as sections of the Canal Park farther west.

The Park will provide a substantial increase in outdoor recreation--from unit camping in the Park, to tenting and primitive camping; thus, there will be a considerable demand for vehicular camping just outside the Park.

There will also be a demand for equipment rentals. The linear nature of the Park will mean that people would like to start in one place and end in another, which will mean that a ferry service will be required to get people and their equipment back to the starting point. This type of service will be provided by private interests, perhaps leasing facilities from the National Park Service.

There are plans (not too specific) for some private developments of tourist attractions in the region. Land has been purchased for a large zoo which would display African animals on open range. Attractions of this type have proved popular in other parts of the country.

D. CONFLICTS FACING TOURISM DEVELOPMENT

There are no substantial conflicts facing tourism development. The conflicts in the area are those surrounding development in general. Montgomery County has placed a moratorium on building until a new sewer treatment plant is finished. The questions of general land use are being contested. Basically, the role of tourism in these issues is that a place which is attractive and interesting for the residents will be attractive for tourists as well.

E. LOCAL REACTION TO THE STATE'S ROLE IN TOURISM

Generally, reaction to the State's efforts were very favorable. The State program of promotion aimed at Washington visitors has been generally successful and well received.

However, there has been some feeling that the State has not put sufficient effort into the development of the park system. The counties have also been slow in acquiring land for parks. Many of these complaints are as much directed toward the provision of recreation facilities for the local population. But the features which make life pleasant for residents also make life pleasant for visitors.

IV. SOUTHERN MARYLAND

(Anne Arundel, Charles, St. Mary's, and Calvert Counties)

A. TOURIST ATTRACTIONS

The principal activities for visitors to this region are swimming, boating, fishing, and sightseeing. The region is bounded by the Potomac River and the Chesapeake Bay, and the many rivers and estuaries provide miles of waterfront. One of the principal problems in the Bay is the presence of sea nettles which restrict swimming, but there are rivers which are free of nettles and with some effort they can be kept out of limited areas. The opportunities for all kinds of boating are plentiful and it is very popular. The area has a large number of marinas and Annapolis is a major east coast yachting center. Fishing opportunities range from small-boat fishing on the rivers and from shore to the fishing in the Bay. There are several charter boat operators in the region to provide day-long fishing trips. The area also has two small State-operated sites for small game hunting, but these are not major attractions.

Sightseeing is a major attraction in the region, with many old houses, and St. Mary's City, which is one of the most popular historic sites in the State. The area is an easy day trip from Washington, so that it has a larger potential market. Annapolis is a large sightseeing attraction and makes a very easy day trip from Washington or Baltimore.

Public golf courses would appear to be a rather underdeveloped activity in the region; although there are ten private golf clubs in the four counties, there are only three public courses.

B. FACILITIES

The region is not particularly well supplied with motels or hotels. Due to the removal of the slot machines, several places have shut down. The southern parts of the region are particularly lacking accommodation. However, whether the area is undersupplied with respect to overnight accommodations is not immediately clear. The region is very close to Washington and day trips are an easy way to use the recreational resources of the region. Sightseeing will most likely continue to be a day side-trip from Washington. However, there would appear to be some potential for more accommodations in the southern end of the region, since it is farther away from Washington and good accommodations would make the area more popular with people from Baltimore and Norfolk, Virginia; although in terms of recreation, there are substantial similar recreation opportunities closer to the latter city.

The area is well supplied with marinas but the general popularity of boating would indicate that there is a substantial potential for the expansion of marinas in the region. The Chesapeake offers some of the finest small boating waters in the world and being very close to one of the major metropolitan concentrations of population in the country, the market should be very large. Many of the rivers have deep water extending close to shore so that little or no dredging would be required and many

sheltered covers and bays provide ideal sites for marinas, moorings, and boat launching areas.

There are several camping areas in the region. Most of these are oriented toward fishing and the water. The potentials for camping away from the shore are not great, as there are not too many recreation opportunities available in the inland areas of the region. The heat of summer in the region makes the shore areas most pleasant for camping.

The area has a few restaurants which specialize in seafood and are well-known. There is a substantial market for these establishments as part of a day trip from Washington or Baltimore. There is also a potential market for many of these places which can cater to waterborne traffic. Again, the southern part of the region is lacking places to eat, even around St. Mary's City.

The area does not have much in the way of convention or meeting facilities, although some of the large motels in Annapolis have facilities for large meetings. The region might be able to develop some off-season business for motels with facilities for working meetings. However, there would not appear to be too much potential for major convention facilities.

Second home developments are of two types: the beach-oriented cottage and the more recent, planned second home community. There are several of the latter and they are being built around a fairly complete set of recreational facilities, such as a beach, large pool, golf course, and general club. While there will be a demand for this type of development, there will be considerable competition from cruising boats. A cruising

boat provides a similar kind of weekend or vacation accommodation and really makes better use of the unique resources of the Bay and rivers. However, there should be a good market for recreation communities centered around day boating and other forms of recreation, such as golf and tennis.

C. PENDING DEVELOPMENTS

In general, there are no major pending developments which will substantially increase the attractiveness of the region for visitors.

St. Mary's City has been restored and is popular. The Calvert Cliffs Nuclear Power Plant is a major attraction.

There would appear to be a few potential developments in the region which could greatly improve attractiveness. One problem now is the difficulty in getting from one part of the region to another, because of the rivers in the southern part of the region. Two points of interest, the Solomons and St. Mary's City, are very close as the crow flies, but because there is no crossing of the Patuxent River at the southern end of Calvert County, it is a very long drive between the two. There has been some talk of a bridge across the river at the Solomons which would improve the ability of tourists to get around within the region.

Highway access into the region is good, especially from Washington, though there are some bottlenecks which should be eliminated.

D. CONFLICTS FACING TOURISM DEVELOPMENT

One of the prime conflicts in the region would seem to be over what kind of tourist should be attracted into the area. Some feel that a

camper-oriented development would be not so beneficial as developing a hotel-motel tourist base. There is the desire on the part of some for a "higher class tourist".

Presently, some campsites are having trouble expanding, due to difficulties in getting health permits. Here the questions are about just what should be required in sanitary standards and whether the same standards that are required for mobile homes should be applied to campers and travel trailers.

There is also a group of people in the region who see tourist development as spoiling the region. There are some people who are very well off and who would not benefit from tourism development. Development could indeed produce rather unattractive, overdeveloped strips in the region; but these complaints can be made about any form of development.

E. LOCAL REACTION TO THE STATE'S ROLE IN TOURISM

One basic concern which surfaced was whether the State had a coordinated policy on tourism. The specific issue was the new State highway map which no longer has the tourist attractions of the State's regions. The tourist interests feel that that change is very detrimental.

Also, there was concern over the slowness of the State in establishing highway information sites. Construction of thirteen were authorized in 1966, the first of which should be in operation this year.

The total promotional and developmental effort is not centered in one department of the State. The shift of the State highway map and the slowness of getting the State highway information centers going, indicate there could

be more coordination with respect to tourism among the several operating departments.

V. METROPOLITAN BALTIMORE

(Howard, Harford, Carroll, and Baltimore
Counties, and Baltimore City)

A. TOURIST ATTRACTIONS

The principal attraction in this region is the City of Baltimore. The City has major convention facilities and some points of historical interest--perhaps the most famous of which is Fort McHenry. However, Baltimore does not rank as one of the primary tourist cities of the Western world or even the East Coast. Baltimore has been famous for its "block", but this attraction has been diminished in recent years and was perhaps more oriented toward the business traveler than the tourist.

Baltimore has some justly famous eating establishments, but it is unlikely that these would generate a tourist trade by themselves.

The region has several outdoor-recreation facilities. There are two large water supply reservoirs which are used for fishing and boating, but swimming and water skiing are prohibited. Although the region has a substantial amount of shore line on the Bay, much of this shore is not available for recreation due to the Aberdeen Proving Ground and the Edgewood Arsenal. The Bay is quite shallow at its northern end and many of the rivers and estuaries are, themselves, quite shallow which restricts their use to very small boats. The development of extensive marina facilities in this end of the Bay would require substantial dredging. The better

natural facilities south of Baltimore probably substantially limit the potential for boating in this section of the Bay.

The country north of Baltimore is beautiful, but in terms of attracting tourists, there are no large state parks and, as mentioned, the reservoirs are limited in the uses to which they can be put. An attraction is steeple chases and point-to-point horse races which will draw a fair number of people during the spring. However, these events are not run as tourist attractions, but rather for the local horse community.

Historical sites in the area are scattered and the one of national significance is Fort McHenry. The others are interesting buildings which often date back several hundred years. There are several old estates in the region which have been in the same family since the original grants. However, these are still lived in and are not considered tourist attractions by their residents.

In Carroll County, Westminster is an attractive town which has many interesting older buildings. There might be some potential for attracting tourists through some restoration in the area and development of outdoor recreation opportunities such as golf.

Another attraction in the region is the "new town" of Columbia in Howard County. This development was not conceived of as a tourist attraction, but it is beginning to attract considerable numbers of visitors. As a "new town" or "planned community", it is attracting visiting planners and scholars as well as others who just want to take a look.

B. FACILITIES

Baltimore's convention center (The Civic Center) is quite sizable and usable for all but the largest conventions. The middle-sized conventions are the bulk of the convention business, but they are also sought by many other cities.

Baltimore's supply of first-class hotel accommodations is one of the factors which makes it difficult to attract larger conventions. The city can only commit about 1,000 rooms to a specific group. There seems to be a problem in getting real commitment from the hotels to develop the convention business; they would like to see some positive indication that the business is there, before they are willing to spend a great deal of money. But without their commitment, the business is difficult to develop. Changes are being made which may see the city become more aggressive in pursuing the business in the near future.

Camping is available in the region at several state camping areas and private campgrounds. The demand for camping is not great, since there is relatively little outdoor recreational activity and the uses of the region's flat water resources are limited. Much of the demand for outdoor recreation in this region is satisfied by people going to Pennsylvania and using that state's park system.

Marinas are available north of the city, especially on the Middle River and the Back River. The State has just dredged a channel which will make access to the Bay much shorter from the Back River. Most of these facilities are used by people from the Baltimore area.

C. PENDING DEVELOPMENTS

The major pending development is the renewal of the City of Baltimore's Inner Harbor area. This is the next step in the urban renewal program and is directed toward commercial and recreational development of the city's waterfront. New hotels, restaurants, a museum, the relocation of the U.S.S. Constellation, and marinas are planned for this area. This development is a case of what is attractive for the local residents, will also be attractive for tourists. The City of Baltimore will be developing one of its unique resources which will add greatly to the attractiveness of the city.

This development will also add to the stock of hotel rooms which should add greatly to the ability to attract conventions. Also, the addition of new rooms should make all the hotels more interested in selling conventions.

One of the questions which has been raised is whether the city needs a new convention center. The present Civic Center is a multi-use facility, being used for sports events as well as conventions. Thus, the Center's schedule is often filled by sports events and is not available for conventions. However, the Civic Center may be more than a convention center. The capacity is only around 10,000 for sports events which may not be large enough, given Baltimoreans' enthusiasm for sports. It may be more appropriate, therefore, to build a new and larger sports arena--rather than a new convention center. A new sports center would solve the problem of relieving the schedule on the Civic Center as effectively as building a new convention facility.

Howard County is bracing itself for a major planned attraction in the form of Marriott Theme Park. These parks have proved to be major attractors, provided tremendous demand for accommodations, gas stations, highways, etc. However, some have also proved to be big busts and have not been able to operate at a profit for the development.

D. CONFLICTS SURROUNDING TOURISM DEVELOPMENT

There are no major conflicts facing tourism development in the region. Tourism is not a major factor in the economy, so that other issues are much more important. Many of those issues are relevant to tourism development in that they shape the general environment of the region.

There is a potential conflict over the use of the Aberdeen Proving Ground and Edgewater Arsenal sites should the Federal Government cease using them completely. Aberdeen is no longer used heavily and this area could become available to the State in the future. It could be developed into a major state park and would open a large area of water from recreational to tourism use. The Bay is usable for all forms of water recreation, since the freshness of the water means the sea nettles are not present. However, other more intense uses are also obvious candidates for this land, due to its prime location in the metropolitan corridor.

E. LOCAL REACTION TO THE STATE'S ROLE IN TOURISM

The local reaction is that the state does a good job in promoting tourism. No adverse reaction on the state's tourism programs came up in the conversations.

VI. UPPER EASTERN SHORE

(Cecil, Kent, Queene Anne, Caroline,
Talbot, and Dorchester Counties)

A. TOURIST ATTRACTIONS

The principal attraction of this region is the Chesapeake Bay. The Bay provides some of the finest waters for boating in the country and fine fishing. In the northern section, the absence of sea nettles makes swimming possible throughout the summer. Many rivers and inlets from the Bay provide miles of shore line and protected waters for small boating and fishing.

The proximity of the region to Baltimore and Washington via the Bay Bridge makes it a convenient place to keep boats. The Sassafras River and Oxford are major marina and boat yard centers. The Bay forms part of the inland waterway so that many large yachts pass through on their way to and from Florida. Many of these boats use facilities in the region for outfitting and major maintenance in the spring and fall.

Fishing is popular on the Bay and there are several establishments which provide boats for charter parties. As the salinity of the water drops off to the north, the species of fish vary so that the region provides a wide range of fishing opportunities. There are also smaller lakes and ponds in the region which provide fresh water fishing as do the headwaters of some of the larger rivers.

There are very limited state lands in the region so that permission is required and that is not too often granted as many of these properties are run as shooting preserves. Some are owned by corporations to provide hunting for management and their guests.

There are many towns in the region which have buildings of historical interest and some towns have restored sections. Most of this restoration has been done by individuals who live in the houses so that they are not open to the public except perhaps two or three days a year. However, even if visitors cannot go inside, a group of these houses is interesting to see and provide a unique attraction in some cases. Water Street in Chestertown and sections of Easton are of interest to many visitors. There are many other buildings in the region which are very old and of interest but they are very scattered so that it is difficult to combine them into a package which can be considered a major attraction.

There are some beaches in the area but most of the shore line is under private control so that shore use by visitors is limited.

B. FACILITIES

Marinas provide the biggest concentration of tourist facilities in the region, and are fairly evenly distributed on the protected shores of the region. The marinas in the northern part of the region serve people from Pennsylvania and Delaware, while the marinas around the Bay Bridge and south serve people from Baltimore and Washington. The marinas range from fairly simple establishments which provide only a slip to more elaborate facilities with showers, laundromats, and even restaurants. The trend in

marina development seems to be toward the more elaborate facilities. Operators find that the more services they operate, the easier it is to attract boats and the more operations they have to turn a profit on.

Quite a few of the larger marinas have major repair facilities and there are some boatyards which do a substantial business constructing pleasure boats. There are hotels, motels and inns in the region but they generally are oriented toward the business traveler. Most of the visitors to the region come to their boats or for the day. There are also some restaurants which are attractions in themselves. There are some famous eating places around St. Michaels and Easton which cater to seafood aficionados. Most of the larger motels also have restaurants associated with them.

There are some private campgrounds in the region and the camping facilities have just been greatly improved in the State Park on Elks Neck. The camping in the region is done largely in recreation vehicles which provide lodgings while their owners participate in other activities such as boating or fishing. There is not much opportunity for camping of the backpacking or primitive variety in the region.

Second homes in the area are quite numerous, ranging from the shore cottage to a thousand-plus acre estate. Most large estates are run as farms so that they are not really properly considered second homes. The smaller cottages are a long-time tradition with Baltimorians, and provide a place to escape the heat of the city in summer, catch a few crabs, and just relax. Many of these places are being upgraded for year-round occupancy for general weekend use and as permanent residences upon the owner's retirement.

The region is also beginning to see the construction of second homes as land becomes available. The interest in second homes has bid up land prices in the region and the few shore lots that are available are bringing fantastic prices.

C. PENDING DEVELOPMENTS

The major pending development for the region is the construction of the second Chesapeake Bay Bridge. Most people agree (and many fear) that the completion of the additional capacity will open the flood gates and people will pour across the Bay.

Highway links to Ocean City are to be improved, but there is a good probability that people will start moving up the Bay shore in search of places to buy and things to do. Additional pressure will be placed on the marina facilities in the region as well.

D. CONFLICTS FACING TOURISM DEVELOPMENT

The basic conflict facing tourism development is the desire of many residents of the region to keep it just the way it is. They do not want to see development of commercial strips along the region's highways, and the very word "neon" is an anathema to this group. Many have come from other areas of the country which had become "neon jungles". Many of these people are semi-retired or retired; they are usually fairly well off. They hold rather a dim view of development and just resist, instead of making sure that the development which is coming is not the neon jungle.

The counties in the region must be encouraged, perhaps better compelled, to pass zoning ordinances, set up scenic easements, and define historical districts so that the character of the region can be preserved. Since this character is one of the prime tourist attractions in the region, the State should take an active role in seeing that it is preserved. When the new Bay Bridge is opened, the people are going to come.

There is also some parochiality in tourism promotion in the region. Many of those who are promoting or providing services only want to be interested in their own town or county. Delmarva hospitality is often spoken against because it does not promote just our town. There is a reluctance to think regionally which is essential for development of the full tourism potential of the region, even if it means promoting attractions which are in Delaware or Virginia.

E. LOCAL REACTION TO THE STATE'S ROLE IN TOURISM

In general, the State's role in promoting tourism is well received and appreciated. There is some grumbling that "Ocean City gets free publicity while we don't."

Some people feel that the state highway department could do more to make the highways more attractive, planting flowers, shrubs, etc. It was also suggested that the State should lay out tourist routes which could connect points of interest or just go through scenic areas. As discussed in the previous section, we think the "trail" idea has merit in various regions of the State.

VII. LOWER EASTERN SHORE

(Wicomico, Worcester, and Somerset Counties)

A. TOURIST ATTRACTIONS

The principal tourist attraction in this region is the water--the Atlantic Ocean in the east, the Chesapeake Bay in the west, and rivers and bays in the middle. There is a great deal of fishing on the Bay and in the rivers. The beach on the Atlantic shore provides excellent swimming, and Ocean City is one of the east coast's major beach resorts.

Boating is very popular in the region; many harbors and inlets make the eastern shore of the Bay one of the finest cruising areas in the world. The water drops off quickly from the shore, so that there is little need for dredging and it is quite easy to provide marinas and boat launching areas. Much of the area is used for weekend or vacation trips in boats, since the western shore of the Bay is closer to the Washington and Baltimore areas and is generally preferred for basing of boats. However, there are some large boatyards for repair and construction in the region. In general, the lower eastern shore is a place to sail to, not from.

The Bay presents a problem for swimming, due to the presence of sea nettles in the summer. However, some of the rivers are free of these so that swimming is pleasant.

The Bay provides fine fishing, as does the ocean and Chincoteague and the Isle of Wight Bays behind the Barrier Beach on the Atlantic shore. There are also many small freshwater ponds on the eastern shore which provide excellent fishing.

The region also has some sightseeing attractions. There are some fishing villages which are interesting and attract a number of tourists. There is a ferry and a more organized excursion to Smith's Island which are popular. Virtually all the communities have old houses and many areas of the region are relatively unchanged from colonial times. However, many of these houses are still lived in and are not open for tourists.

Another sightseeing attraction is the Blackwater National Wildlife Refuge. This is one of the major way points on the Atlantic migration fly-ways. Vast numbers of birds stop here in the spring and fall, and many species winter here.

The eastern shore is world renowned for bird hunting. Many of the larger farms in the area are run for the fall hunting. Hunting is also used in the wildlife sanctuary for management purposes. The deer population is also growing rapidly and the deer hunting opportunities on the shore are beginning to be used more extensively. In general, there is one problem with hunting in the region and that is the private ownership of substantial sections of land. Owners often do not want other people hunting on their land and in some cases, the land is run as a private shooting preserve.

B. FACILITIES

Lodging facilities are available in great number in Ocean City, but the tremendous demand placed on them in summer makes space scarce, especially on weekends. On weekends, there is considerable Ocean City overflow to other parts of the region. Other parts of the region are not

plentifully supplied with motels but there are rooms located around some of the larger towns oriented to the business traveler. But these are available for and used by tourists. There is not much in the way of accommodations in many of the small shore towns. Guests are taken in by one family on Smith's Island but accommodations are scarce along the shore.

There are some very good restaurants in the region which specialize in seafood. Also, many of the motels have good restaurants associated with them. Ocean City is also well supplied with night life and has a reputation as a "swinging town" in the summer season. However, most of these establishments would be considered "class" establishments.

Camping areas are available in the region; there are five state parks, including one of the most popular on Assateague Island. This latter area is right on the beach and was filled practically all summer. The National Seashore is also very popular but the camping accommodations are primitive in keeping with the policy of the National Park Service and the fragile ecology of the sand dune environment. There are many private campgrounds in the area which are usually near some body of water, either a river or a lake.

There are a good number of marinas in the region and services are readily available to boaters. However, with the popularity of boating, there should still be considerable potential for expansion. One of the potentials for the lower eastern shore is for transient facilities. The southern part of the Bay is really too far from the population centers

to be a prime location for permanent basing of boats. The main market would be for a place to berth for the night and perhaps get a good meal ashore.

The convention center in Ocean City has not served very well as an attractor of off-season business for the region. The principal problem is that the operation of most of the hotels and motels in Ocean City is a summer season enterprise. Most of the labor force used are college students who are not available in the off-season and many of the Ocean City properties are run for the summer, and then the managers go back to some other job for the rest of the year. The center has not paid for itself, but it has had other benefits as a community center. More motels are staying open longer; the season is slowly extending, but probably one of the main attractions in Ocean City for a convention is the other life and entertainment which is available in the summer. After all, in the off-season, Ocean City becomes pretty much of a ghost town.

Fishing parties are accommodated at many of the harbors and Ocean City has several boats which provide day trips for deep-sea fishing off the coast. Many of the small ponds in the region are stocked for good freshwater fishing.

Facilities are not specifically developed for hunting in the region, but there are places to stay and guides are available. For water fowl hunting, there are blinds available and, of course, the region has stores which are oriented toward supplying hunters.

Ocean City is one of the main areas of second-homes growth in the State. The condominium arrangement is proving popular here, since costs are very high (the prices for new units range from \$30,000 to \$75,000, plus) and most owners rent their units out when they are not using them. The new condominium units are bringing more families into the area and providing a less "swinging" atmosphere to the beach. Also, there are some moves to build second homes on the western shore of the bays behind the beach. This area probably offers a great potential for recreation community development. The bays offer good small boat sailing, and the greater availability of land will make possible activities such as golf, tennis, and walking which cannot be provided on the beach.

C. PENDING DEVELOPMENTS

The principal pending development for the region is the expansion of the Chesapeake Bay Bridge. This project will result in a tremendous increase in the number of people who come into the area, and the improvement of Route 50 will make it even easier to get to Ocean City. Maryland will not be the only area to benefit from the new Bay Bridge; the Delaware beach areas will also have their access to the Baltimore and Washington markets greatly improved.

The Bay Bridge will not be finished for two years and when the new span is opened, the old one will undergo extensive repairs, so that the bridge will not be at full capacity for about four more years.

There are other possible developments which could affect the tourist potential of the region. One is an industrial complex around Crisfield

based on a major new port. This development would conflict with some of the tourist and outdoor recreation potentials of the area. Another possibility is the construction of a major offshore oil terminal.

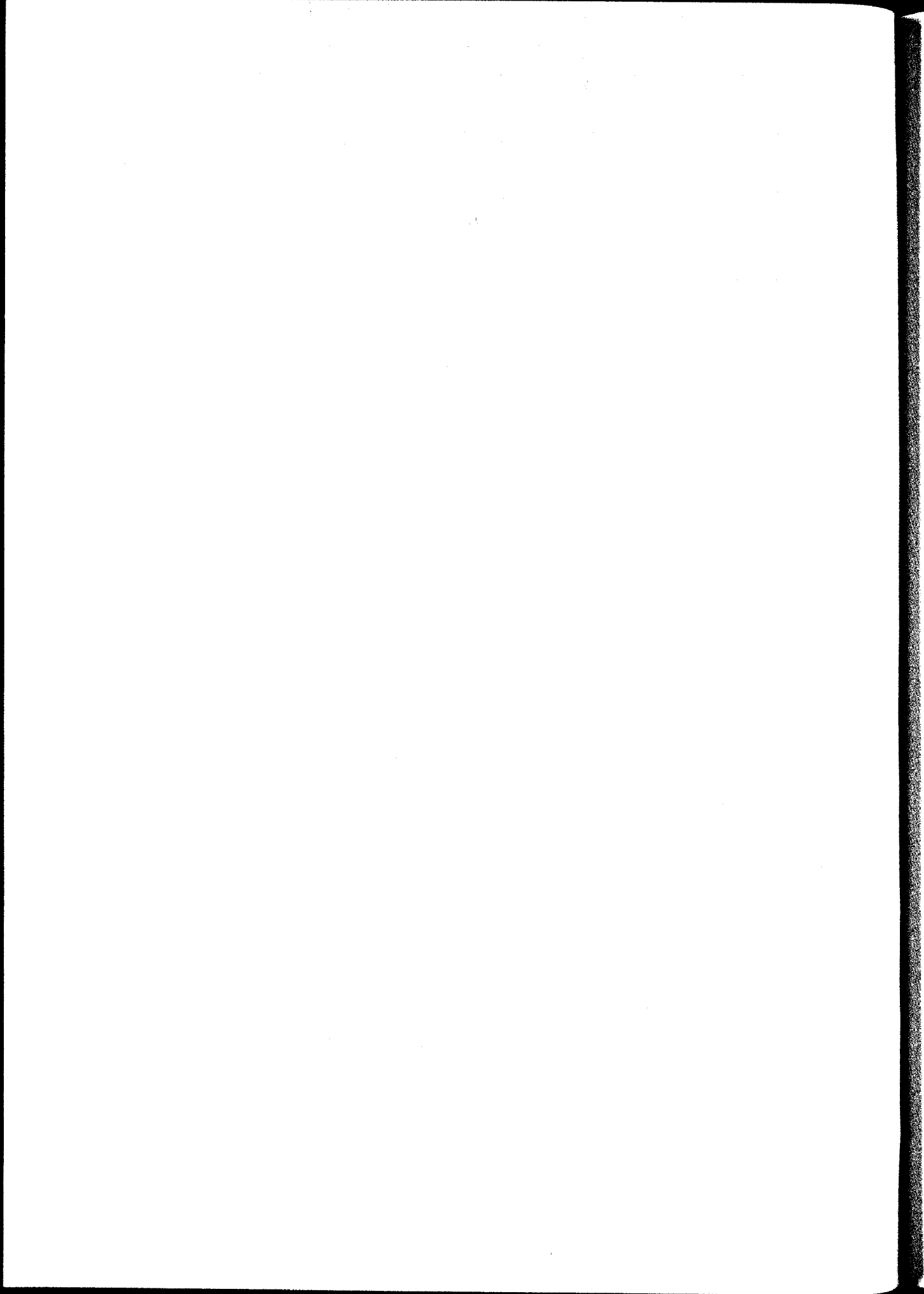
Another development is the improvement of Route 113 through Delaware, Maryland, and Virginia to the Chesapeake Bay Tunnel-Bridge. This highway improvement should greatly increase the traffic flowing south through the region and expand the market from people traveling through the region on the way north or south. This development should extend the tourist season for the hotels and motels in the area. Second homes will also extend the season as people use their homes on weekends in seasons other than summer. The Ocean City area is probably at its most aesthetically pleasing in the late fall, and people who have houses there will discover this fact.

E. LOCAL REACTION TO THE STATE'S ROLE IN TOURISM

People feel that the State is doing a good job in promotion and the State parks are some of the better developed. People in Ocean City are for development and have gotten considerable obvious help from the State in the form of the State Park and the Convention Center. In the other areas of the region, there is a general wariness of the State and, in fact, all public action. Here, there is a resistance to planning--and, especially, to zoning. There is a general belief in reliance on self, which will make cooperation with State programs more difficult and always jeopardize long-run development with development pursued for short-term benefits.

APPENDIX C

THE MARYLAND TOURISM ECONOMIC IMPACT MODEL:
A DESCRIPTION OF THE MODEL AND ITS RESULTS

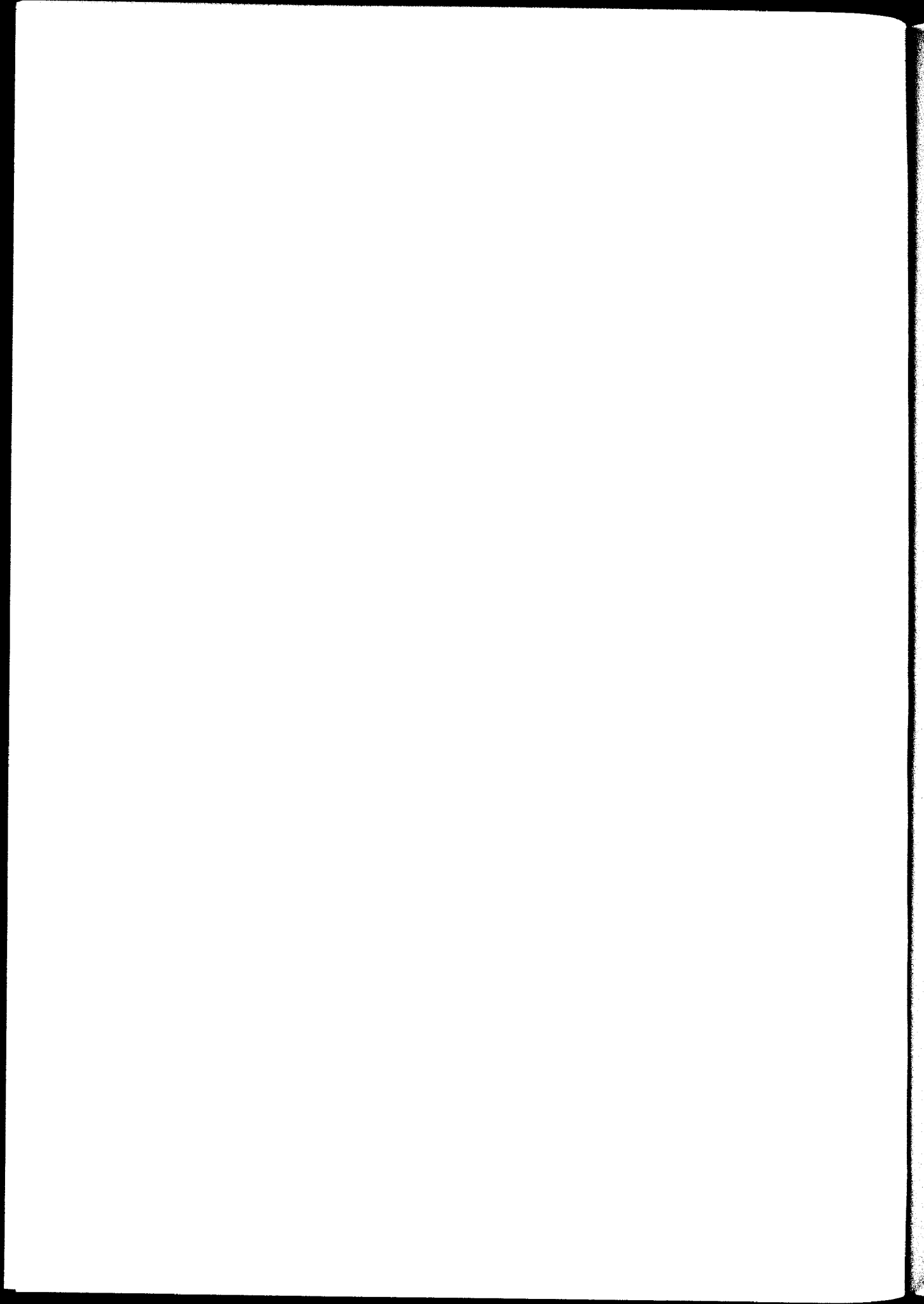


APPENDIX C

THE MARYLAND TOURISM ECONOMIC IMPACT MODEL: A DESCRIPTION OF THE MODEL AND ITS RESULTS

TABLE OF CONTENTS

	<u>Page</u>
I. Introduction	C-1
II. General Features of the Model	C-2
A. Purpose of the Model	C-2
B. Definition of Subregions, Model, Inputs and Outputs	C-2
C. Considerations in Designing the Model	C-4
1. Cooperation with the University of Maryland	C-4
2. Regional Differences in Economic Impact	C-4
3. Direct, Indirect and Induced Economic Impacts	C-5
4. Continuous Use of the Model	C-6
D. Reliability of the Model Results	C-6
E. Possible Future Extensions of the Model	C-7
III. Results of the Model in Terms of Impact Multipliers	C-7



I. INTRODUCTION

This Appendix describes the model we have developed to measure the economic multiplier effects of tourist expenditures in various parts of Maryland. It also discusses the numerical results in terms of economic impact multipliers we have obtained by implementing the model. The economic impact results presented in the main volume of our report have been computed by using the impact multipliers given here.

This Appendix is organized as follows. First, we give a general description of the Maryland Tourism Economic Impact Model, explaining the purpose of the model, defining the various impact regions as well as the model inputs and outputs, listing some of the important considerations that have been taken into account in designing the model, and touching upon other areas of interest in the development and application of the model.

Next, the numerical results of the model are shown in terms of a series of tables.

The theoretical structure of the impact model is described in technical detail in Appendix D.

We should briefly note here that we have designed the model to determine the multiplier effects (in terms of four different types of impact) of tourist expenditures in each of sixteen separate expenditure categories taking place in any of Maryland's seven regions. The model computes the distribution of impacts, originating in any given region, over all the other regions. For example, the model is designed to determine the employment effects in Western Appalachia (Garrett and Allegany Counties) resulting from tourist expenditures in eating and drinking places taking place in Lower Eastern Shore (Wicomico, Somerset, and Worcester Counties). These impact distributions are, of course, approximations estimated by using existing data and are based on a number of assumptions regarding aggregate economic relationships within Maryland. The data base required by the model can be updated as necessary to use the model on a continuous basis. Also, the model can be further refined with more detailed data. The model is programmed in Fortran IV and can be run on any standard IBM computer.

II. GENERAL FEATURES OF THE MODEL

A. Purpose of the Model

The purpose of the Maryland Tourism Economic Impact Model (MTEIM) is to determine the economic impact of expenditures by out-of-state tourists in Maryland on the economy of Maryland as a whole, as well as on the economy of the various regions within the State. Within the context of our present assignment, the model is designed to provide quantitative indicators of the differential impact of various types of expenditures by tourists in different parts of Maryland. In a longer-term sense, the model is designed to provide a quantitative analytical framework that can be used on a continuous basis to assess the effects of programs aimed at developing tourism in Maryland. The model is programmed to be computer-run and thus can be used with relative ease to provide impact results within a few minutes. In order for the model to have continued relevance, the data required by it needs to be periodically updated in view of changing circumstances. Although the results of the model in terms of tax revenues represent summary measures of different types of State tax revenues, the model itself is built to provide much more detail (i.e., by type of tax) as described below.

B. Definition of Subregions, Model Inputs and Outputs)

For the purposes of the model, the State of Maryland has been divided into seven regions. These seven regions, as described in terms of the counties that they cover, are the following:

1. Western Appalachia - Garrett and Allegany;
2. Eastern Appalachia - Washington and Frederick;
3. Washington Metropolitan - Montgomery and Prince George's;
4. Baltimore Metropolitan - Howard, Hatford, Carroll, and
Baltimore;
5. Southern Maryland - Anne Arundel, Charles, St. Mary's, and
Calvert;
6. Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline,
Talbot, and Dorchester; and
7. Lower Eastern Shore - Wicomico, Somerset, and Worcester Counties

The data required by the model as "inputs" consist of the dollar value of tourist expenditures in a given region, specified in terms of the following expenditure or Tourism Impact Analysis Categories (TIAC's):

1. Hotels, tourist courts, motels, rooming and boarding houses, organizational hotels and lodging houses (SIC 7011, 7021, 7042),
2. Trailer parks, sporting and recreational camps (SIC 703),
3. Rental homes (SIC),
4. Food stores (SIC 54),
5. Eating and drinking places (SIC 58),
6. Liquor stores (SIC 592),
7. Gasoline service stations, general repairs (SIC 5541),
8. Local transportation, buses, cabs (SIC 41),
9. Water transportation, recreational facilities services (SIC 44),
10. Auto rental (SIC 751),
11. Parking (SIC 752),
12. Communication, telephone (SIC 4811),
13. Miscellaneous retail stores (SIC 59),
14. Personal services (SIC 72),
15. Miscellaneous business services (SIC 73),
16. Motion pictures, amusement and recreation services (SIC 78, 79).

The results of the model consist of impact multipliers in terms of four types of economic impact, resulting from spending in sixteen separate categories of tourist expenditures in any of Maryland's seven regions. The distribution of the impact is shown in each case not only for the major impact region (i.e., location of spending) but also for all other regions and for the State as a whole. The four different types of economic impact are defined as follows: (1) total increase in the output of goods and services; (2) total increase in wages and salaries accruing to the region and to the State as a whole; (3) total employment, by area of residence; and (4) tax revenues, defined as a) State corporate income taxes, b) State personal income taxes, c) State gasoline taxes, and d) State sales taxes.

In order to translate the data "inputs" into the model "outputs", the model requires numerical information on many parameters and variables as described in detail below.

C. Considerations in Designing the Model

The specific design of the model reflects a number of broad considerations that have provided us with operational guidelines and performance specifications. These can be listed as follows:

1) Cooperation with the University of Maryland: From the very inception of our assignment, we have made it our objective to utilize the results of the Maryland Interindustry Study Project at the University of Maryland, under the direction of Professor Curtis Harris, Jr. The results of this effort at the University of Maryland are available in two separate publications.* In summary, these two publications provide quantitative data on interindustrial relationships in Maryland's economy in 1966 and 1970 in the form of an 100 x 100 input-output model. The results of this model that are of immediate interest in the present context are the direct and indirect interindustry sales multipliers. We have designed the Maryland Tourism Economic Impact Model to make use of these statewide interindustry sales multipliers. This provides the impact model with a very important empirical input and enhances the model's realism and practical usefulness.

2) Regional Differences in Economic Impact: Next, we have designed the model to explicitly take into account regional differences in economic impact resulting from variations in the composition of tourist expenditures as well as interregional economic differences. The latter would include such factors as the proportion of total demand for

* Regional-Urban Studies, Inc., An Interindustry Study of the State of Maryland (Hyattsville, Maryland, 1970); Curtis C. Harris, Jr., A 1970 Interindustry Model of the State of Maryland, A Research Report prepared for the Maryland Department of State Planning (College Park, Maryland): University of Maryland Bureau of Business and Economic Research, October 1971).

goods and services within a region supplied by the region itself, wage rates by industry, proportion of total wage income originating within a region retained in the region as opposed to accruing to residents of other regions, and the propensity to consume in each region. When these complicating factors are taken into account, it becomes apparent that the same level of tourist expenditures on, for example, food and beverages would have different multiplier effects in different parts of Maryland.

3) Direct, Indirect and Induced Economic Impacts: In addition, we have made an effort in designing the model to take into account the different types of impacts that are generated by tourist expenditures in a given region. Apart from the direct effects that may be felt in a region resulting from, for example, an increase in tourist expenditures on food and beverages (in terms of increase in sales, wage income, employment, State taxes), additional or indirect economic impacts are also generated. To give a simple example, an increase in the consumption of ice cream would lead to an increase in the production of fluid as well as condensed or evaporated milk, flavoring extracts, sugar, paper-board containers and boxes, etc. The supply of these products would, in turn, generate increased demand for and supply of other goods and services. In this way, many rounds of impact are felt throughout the economy, analogous to a chain reaction process.

In addition to the indirect effects as just described, tourist expenditures produce induced economic effects. These effects result from the spending of wage income generated both directly and indirectly within the region. Thus, as personal income goes up, so will consumption expenditures, which then will lead to increased production, employment, etc. For terminological convenience, we have labeled these consumption-generated effects "induced impacts". The impact model formally takes into account these direct, indirect, and induced economic impacts.

4) Continuous Use of the Model: We have given consideration in designing the model to the fact that the model would potentially serve as a continuously usable analytical tool. We have, therefore, programmed the model to be run on the computer, which eliminates a lot of hand computation on the part of the user.

D. Reliability of the Model Results

The results of the model can be judged both in terms of its conceptual structure and completeness and in terms of the numerical validity of the various multipliers computed by using it. On the conceptual side, we have made every effort to develop a systematic framework that comprehensively captures all possible economic impact streams (direct, indirect, and induced), under the basic assumption that at any given point in time there exists enough "capacity" (e.g., in terms of hotel rooms, restaurants, etc.) to accommodate the incoming volume of tourists. In other words, the economic impact of increased capital investment resulting from an increase in tourism is not explicitly taken into account in the present formulation of the model, although the model can be appropriately modified to include capital investment. In its present form, therefore, the model would seem to be conceptually valid in all situations where the volume of tourism is not expected to show a significant sudden increase.

Provided that the model passes the conceptual test, its numerical reliability depends on the quality of the data used in implementing it. In the present case, the fact that we have built into our model the actual estimated Maryland interindustry sales multipliers has contributed significantly to the model's realism. In addition, our estimates of the model's parameters are based on economic data for each of the seven regions in Maryland mentioned earlier. Where up-to-date information could not be obtained, we have made specific assumptions on the numerical value of certain of the model's parameters. Everything considered, we believe the model's results should have a high degree of reliability.

To maintain and improve the reliability of the model's results, an effort should be made to periodically inspect and update the model's

parameters by using the most recent data that can be obtained. In this way, the model can continue to be of service at a relatively small maintenance cost.

E. Possible Future Extensions of the Model

There are a number of directions in which the model can be extended in the future. One such extension could consist of making the model "seasonal", to estimate the differential regional effects of tourist expenditures in Maryland by season.

Secondly, the model can be made more detailed in terms of geographical coverage (e.g., individual counties), tourist expenditure categories, and types of economic impact multipliers (e.g., special local tax revenues).

Thirdly, the model can be extended to take into account increases in capital investment generated by a growing volume of tourism in the state.

III. RESULTS OF THE MODEL IN TERMS OF IMPACT MULTIPLIERS

The results of the model in terms of impact multipliers are given in the accompanying tables (Tables 1A-1D, 2A-2D, 3A-3D, 4A-4D, 5A-5D, 6A-6D, and 7A-7D). These tables are arranged by region, in terms of four tables per region.

Each table contains a list of the sixteen tourist expenditure categories used in our analysis. The impact multipliers are given for all seven regions, as well as for the State as a whole.

To make comprehension easier, we can describe how to read, for example, Table 1A. This table shows the output multipliers, by region, per dollar of tourist expenditures spent in Region I, in any of the sixteen expenditure categories. Hence, if a dollar is spent in Region I in food stores (Category 4), about \$1.54 worth of output of goods and services is created in the State as a whole directly, indirectly, and in terms of "induced" effects. This reflects total production within the State; it is not, strictly speaking, the same as "sales", since the latter includes goods and services not necessarily produced within the State. It should further be noted that most of this impact is concentrated

in Region I (i.e., 1.05464), which, of course, is in this case the region where the initial tourist expenditure is made. An examination of the distribution of the impact to the other regions indicates that Regions III and IV receive most of the multiregional impact.

Space does not permit a detailed examination of all the multipliers provided in these twenty-eight tables (containing $28 \times 16 \times 8 = 3584$ multipliers). It should be noted that an interpretive discussion of the results, after they have been used to determine the economic impact of total tourist expenditure in each category in each region, has been provided in the text of the main volume of the report.

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION I
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Output multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region I)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	1.20656	.03412	.19726	.43289	.04519	.02473	.02048	1.96523
2. Trailer parks, sporting & recreational camps	703	1.18888	.03271	.18754	.41929	.04279	.02332	.01946	1.91399
3. Rental homes	65	1.05079	.01675	.11019	.22213	.02310	.01211	.00958	1.44464
4. Food stores	54	1.05464	.01981	.13198	.28364	.02772	.01345	.01169	1.54292
5. Eating & drinking places	58	1.19539	.02716	.17920	.36571	.03729	.01986	.01615	1.84076
6. Liquor stores	592	1.07915	.02109	.14020	.29793	.02938	.01457	.01246	1.59478
7. Gasoline service stations, general repairs	5541	1.05403	.01904	.12677	.27490	.02671	.01287	.01129	1.52561
8. Local transportation, buses, cabs	41	1.23280	.03530	.18909	.43497	.04545	.02623	.02049	1.98434
9. Water transportation, recreational facilities & service	44	1.18576	.03284	.17330	.40754	.04225	.02409	.01900	1.88478
10. Auto rental	751	1.18436	.03198	.16709	.39472	.04057	.02351	.01987	1.86210
11. Parking	752	1.18436	.03198	.16709	.39472	.04057	.02351	.01987	1.86210
12. Communication-telephone	4811	1.11409	.01852	.11137	.23532	.02419	.01354	.01084	1.52788
13. Miscellaneous retail stores	59	1.07915	.02109	.14020	.29793	.02938	.01457	.01246	1.59478
14. Personal services	72	1.23188	.03496	.20197	.44437	.04571	.02528	.02082	2.00499
15. Miscellaneous business services	73	1.22513	.04426	.21143	.53710	.06263	.03212	.02666	2.12923
16. Motion pictures, amusements & recreational services	78 and 79	1.19808	.05346	.32454	.71062	.07295	.03465	.03076	2.42506

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester

SOURCE: The AMI Maryland Tourism Economic Impact Model

TABLE 1B

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION I
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Wages and salaries multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region I)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.29737	.00923	.04443	.09068	.01716	.00530	.00465	.46882
2. Trailer parks, sporting & recreational camps	703	.27057	.00881	.05319	.08708	.01603	.00497	.00442	.43408
3. Rental homes	65	.06540	.00461	.02335	.04448	.00766	.00246	.00209	.15005
4. Food stores	54	.06910	.00534	.03103	.05956	.00943	.00265	.00266	.17976
5. Eating & drinking places	58	.28598	.00752	.04191	.07634	.01444	.00411	.00367	.43398
6. Liquor stores	592	.10686	.00572	.03292	.06248	.01030	.00291	.00283	.22403
7. Gasoline service stations, general repairs	5541	.06880	.00509	.02988	.05750	.00907	.00252	.00257	.17542
8. Local transportation, buses, cabs	41	.33693	.00965	.04238	.09013	.01703	.00571	.00474	.50658
9. Water transportation, recreational facilities & service	44	.26444	.00892	.03874	.08452	.01535	.00522	.00440	.42160
10. Auto rental	751	.26397	.00781	.03356	.07403	.01372	.00479	.00423	.40212
11. Parking	752	.26397	.00781	.03356	.07403	.01372	.00479	.00423	.40212
12. Communication-telephone	4811	.16435	.00516	.02587	.05020	.00934	.00291	.00251	.26035
13. Miscellaneous retail stores	59	.10686	.00572	.03292	.06248	.01030	.00291	.00283	.22403
14. Personal services	72	.33683	.00948	.04552	.09221	.01756	.00542	.00473	.51174
15. Miscellaneous business services	73	.31701	.01152	.05069	.11536	.02001	.00712	.00646	.52819
16. Motion pictures, amusements & recreational services	78 and 79	.26804	.01529	.07465	.15697	.02740	.00749	.00693	.55677

NOTES:

^a Direct, indirect, and induced impact. Refer to the accompanying text for explanation.

^b The seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Dorchester, and Accomack.

TABLE 1C

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION I
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

b
(Employment multipliers in different regions per \$10,000 of tourist expenditures in each category taking place in Region I)

<u>TOURIST EXPENDITURE CATEGORIES</u>	<u>STANDARD INDUSTRIAL CLASSIFICATION</u>	<u>REGION I</u>	<u>REGION II</u>	<u>REGION III</u>	<u>REGION IV</u>	<u>REGION V</u>	<u>REGION VI</u>	<u>REGION VII</u>	<u>ENTIRE STATE</u>
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.89	.01	.07	.14	.03	.01	.01	1.15
2. Trailer parks, sporting & recreational camps	703	.63	.01	.06	.13	.02	.01	.01	.88
3. Rental homes	65	.16	.01	.03	.06	.01	.00	.00	.27
4. Food stores	54	.13	.01	.04	.09	.01	.00	.00	.30
5. Eating & drinking places	58	.93	.01	.06	.11	.02	.01	.01	1.15
6. Liquor stores	592	.28	.01	.05	.09	.02	.00	.00	.45
7. Gasoline service stations, general repairs	5541	.19	.01	.04	.08	.01	.00	.00	.34
8. Local transportation, buses, cabs	41	1.27	.01	.06	.13	.03	.01	.01	1.51
9. Water transportation, recreational facilities & service	44	.46	.01	.06	.12	.02	.01	.01	.69
10. Auto rental	751	.50	.01	.05	.11	.02	.01	.01	.70
11. Parking	752	.60	.01	.05	.11	.02	.01	.01	.80
12. Communication-telephone	4811	.22	.01	.04	.07	.01	.00	.00	.36
13. Miscellaneous retail stores	59	.24	.01	.05	.09	.02	.00	.00	.41
14. Personal services	72	.99	.01	.07	.14	.03	.01	.01	1.26
15. Miscellaneous business services	73	.60	.02	.07	.17	.03	.01	.01	.91
16. Motion pictures, amusements & recreational services	78 and 79	.88	.03	.12	.26	.05	.01	.01	1.36

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester.

SOURCE: The ADL Maryland Tourism Economic Impact Model

TABLE 1D

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION I
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(State tax revenue multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region I)

<u>TOURIST EXPENDITURE CATEGORIES</u>	<u>STANDARD INDUSTRIAL CLASSIFICATION</u>	<u>REGION I</u>	<u>REGION II</u>	<u>REGION III</u>	<u>REGION IV</u>	<u>REGION V</u>	<u>REGION VI</u>	<u>REGION VII</u>	<u>ENTIRE STATE</u>
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.08028	.00095	.00498	.01000	.00171	.00056	.00047	.09894
2. Trailer parks, sporting & recreational camps	703	.03813	.00090	.00471	.00955	.00159	.00652	.00044	.05585
3. Rental homes	65	.04603	.00043	.00231	.00438	.00071	.00023	.00019	.05429
4. Food stores	54	.00655	.00053	.00327	.00620	.00091	.00027	.00025	.01798
5. Eating & drinking places	58	.06398	.00076	.00457	.00829	.00142	.00043	.00037	.07982
6. Liquor stores	592	.04959	.00057	.00350	.00656	.00100	.00030	.00027	.06178
7. Gasoline service stations, general repairs	5541	.17453	.00050	.00317	.00601	.00088	.00026	.00025	.18559
8. Local transportation, buses, cabs	41	.02760	.00095	.00462	.00951	.00165	.00057	.00046	.04536
9. Water transportation, recreational facilities & service	44	.02177	.00087	.00419	.00882	.00148	.00052	.00042	.03806
10. Auto rental	751	.07756	.00076	.00362	.00766	.00132	.00047	.00039	.09178
11. Parking	752	.03756	.00076	.00362	.00766	.00132	.00047	.00039	.05178
12. Communication-telephone	4811	.01371	.00051	.00279	.00534	.00091	.00030	.00024	.02380
13. Miscellaneous retail stores	59	.04759	.00057	.00350	.00656	.00100	.00030	.00027	.05978
14. Personal services	72	.07745	.00098	.00511	.01019	.00174	.00057	.00048	.09652
15. Miscellaneous business services	73	.03455	.00112	.00550	.01194	.00193	.00070	.00060	.05634
16. Motion pictures, amusements & recreational services	78 and 79	.04308	.00169	.00880	.01856	.00287	.00086	.00078	.07665

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Kent, and Sussex.

TABLE 2A

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION II
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT(Output multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region II)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.02451	1.15817	.20080	.47399	.04494	.02423	.02017	1.94678
2. Trailer parks, sporting & recreational camps	703	.02336	1.14556	.19093	.45257	.04243	.02283	.01911	1.89679
3. Rental homes	65	.01242	1.05684	.11773	.24472	.02427	.01280	.01006	1.47883
4. Food stores	54	.01433	1.06351	.14067	.30907	.02909	.01427	.01226	1.58318
5. Eating & drinking places	58	.01931	1.13904	.17884	.39238	.03618	.01886	.01545	1.80006
6. Liquor stores	592	.01575	1.08513	.15160	.33292	.03112	.01559	.01317	1.64528
7. Gasoline service stations, general repairs	5541	.01395	1.06441	.13634	.30223	.02824	.01380	.01194	1.57091
8. Local transportation, buses, cabs	41	.02963	1.22712	.21909	.53276	.04979	.02872	.02222	2.10934
9. Water transportation, recreational facilities & service	44	.02599	1.17190	.19119	.47186	.04461	.02537	.01989	1.95081
10. Auto rental	751	.02405	1.16601	.18236	.45337	.04245	.02447	.02054	1.91324
11. Parking	752	.02405	1.16601	.18236	.45337	.04245	.02447	.02054	1.91324
12. Communication-telephone	4811	.01573	1.12129	.13070	.29324	.02718	.01532	.01208	1.61553
13. Miscellaneous retail stores	59	.01575	1.08513	.15160	.33292	.03112	.01559	.01317	1.64528
14. Personal services	72	.02871	1.22678	.23197	.54215	.05006	.02777	.02255	2.12999
15. Miscellaneous business services	73	.04038	1.31006	.28302	.72361	.06469	.03968	.03191	2.49334
16. Motion pictures, amusements & recreational services	78 and 79	.03832	1.19252	.34242	.77494	.07531	.03592	.03165	2.49108

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Pocomoke;
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester.

SOURCE: The ADL Maryland Tourism Economic Impact Model

TABLE 2B

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION II
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT(Wages and salaries multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region II)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00476	.26282	.04376	.09806	.01806	.00518	.00457	.43721
2. Trailer parks, sporting & recreational camps	703	.00456	.23937	.04165	.09371	.01680	.00486	.00434	.40528
3. Rental homes	65	.00247	.08478	.02463	.04904	.00861	.00262	.00220	.17435
4. Food stores	54	.00285	.09260	.03263	.06569	.01051	.00284	.00279	.20881
5. Eating & drinking places	58	.00372	.23711	.04050	.08161	.01482	.00389	.00362	.38517
6. Liquor stores	592	.00310	.13398	.03481	.06953	.01174	.00314	.00300	.25931
7. Gasoline service stations, general repairs	5541	.00275	.09555	.03156	.06302	.01025	.00274	.00272	.20857
8. Local transportation, buses, cabs	41	.00559	.39493	.04708	.10983	.02091	.00628	.00513	.58975
9. Water transportation, recreational facilities & service	44	.00495	.28930	.04125	.09746	.01776	.00551	.00460	.46083
10. Auto rental	751	.00410	.27857	.03552	.08581	.01584	.00501	.00438	.42923
11. Parking	752	.00410	.27857	.03552	.08581	.01584	.00501	.00438	.42923
12. Communication-telephone	4811	.00305	.21067	.02915	.06188	.01177	.00332	.00279	.32263
13. Miscellaneous retail stores	59	.00310	.13398	.03481	.06953	.01174	.00314	.00300	.25931
14. Personal services	72	.00549	.39475	.05022	.11190	.02144	.00599	.00512	.59492
15. Miscellaneous business services	73	.00746	.53717	.06418	.15209	.02857	.00885	.00766	.80697
16. Motion pictures, amusements & recreational services	78 and 79	.00856	.29566	.07716	.16990	.02981	.00778	.00713	.59600

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Harford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Western Piedmont - Carroll, Frederick, Washington, and Garrett;
- VII Eastern Piedmont - Prince George's and Montgomery.

TABLE 20

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION II
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT(Employment multipliers in different regions^b per \$10,000 of tourist expenditures in each category taking place in Region II)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.01	.79	.07	.15	.03	.01	.01	1.06
2. Trailer parks, sporting & recreational camps	703	.01	.55	.06	.14	.03	.01	.01	.81
3. Rental homes	65	.00	.17	.03	.07	.01	.00	.00	.30
4. Food stores	54	.00	.18	.05	.09	.02	.00	.00	.35
5. Eating & drinking places	58	.01	.84	.06	.12	.02	.01	.01	1.06
6. Liquor stores	592	.00	.41	.05	.10	.02	.00	.00	.59
7. Gasoline service stations, general repairs	5541	.00	.23	.05	.09	.02	.00	.00	.40
8. Local transportation, buses, cabs	41	.01	.99	.07	.16	.03	.01	.01	1.27
9. Water transportation, recreational facilities & service	44	.01	.51	.06	.14	.03	.01	.01	.76
10. Auto rental	751	.01	.52	.06	.13	.02	.01	.01	.74
11. Parking	752	.01	.63	.05	.13	.02	.01	.01	.85
12. Communication-telephone	4811	.00	.26	.04	.09	.02	.00	.00	.43
13. Miscellaneous retail stores	59	.00	.26	.05	.10	.02	.00	.00	.45
14. Personal services	72	.01	1.10	.08	.17	.03	.01	.01	1.40
15. Miscellaneous business services	73	.01	1.38	.09	.22	.04	.01	.01	1.77
16. Motion pictures, amusements & recreational services	78 and 79	.01	.83	.13	.28	.05	.01	.01	1.32

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Harford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Wicomico;
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester.

SOURCE: The ABE Maryland Tourist Economic Impact Model

TABLE 2D

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION II
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT(State tax revenue multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region II)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00052	.07736	.00491	.01092	.00179	.00054	.00046	.09650
2. Trailer parks, sporting & recreational camps	703	.00050	.03549	.00465	.01038	.00166	.00051	.00043	.06363
3. Rental homes	65	.00025	.04754	.00247	.00495	.00080	.00025	.00020	.05646
4. Food stores	54	.00030	.00840	.00345	.00684	.00102	.00029	.00027	.02057
5. Eating & drinking places	58	.00040	.05991	.00442	.00894	.00145	.00041	.00036	.07587
6. Liquor stores	592	.00033	.05170	.00373	.00744	.00114	.00033	.00029	.06495
7. Gasoline service stations, general repairs	5541	.00029	.17664	.00337	.00670	.00100	.00028	.00026	.18854
8. Local transportation, buses, cabs	41	.00060	.03199	.00520	.01197	.00202	.00064	.00050	.05292
9. Water transportation, recreational facilities & service	44	.00052	.02358	.00450	.01043	.00171	.00055	.00044	.04174
10. Auto rental	751	.00043	.07855	.00387	.00913	.00152	.00050	.00041	.09440
11. Parking	752	.00043	.03855	.00387	.00913	.00152	.00050	.00041	.05440
12. Communication-telephone	4811	.00033	.01730	.0319	.00680	.00114	.00034	.00028	.02938
13. Miscellaneous retail stores	59	.00000	.00003	.00001	.00001	.00000	.00000	.00000	.00004
14. Personal services	72	.00061	.08186	.00569	.01265	.00212	.00064	.00052	.10408
15. Miscellaneous business services	73	.00080	.05188	.00714	.01664	.00277	.00089	.00073	.08085
16. Motion pictures, amusements & recreational services	78 and 79	.00099	.04524	.00912	.02017	.00310	.00090	.00080	.08032

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Harford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Sussex, and Dorchester.

TABLE 3A

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION III
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT(Output multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region III)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.02472	.03923	1.31958	.45341	.05084	.02418	.02010	1.93206
2. Trailer parks, sporting & recreational camps	703	.02360	.03751	1.29957	.43476	.04789	.02285	.01913	1.88531
3. Rental homes	65	.01192	.01844	1.14350	.23042	.02498	.01229	.00970	1.45125
4. Food stores	54	.01402	.02210	1.17333	.29666	.03032	.01392	.01201	1.56235
5. Eating & drinking places	58	.02338	.03780	1.36614	.42877	.04948	.02233	.01786	1.94577
6. Liquor stores	592	.01506	.02385	1.19481	.31138	.03245	.01485	.01266	1.60506
7. Gasoline service stations, general repairs	5541	.01405	.02221	1.17889	.29535	.03039	.01381	.01195	1.56664
8. Local transportation, buses, cabs	41	.02910	.04555	1.38110	.49004	.05701	.02792	.02167	2.05238
9. Water transportation, recreational facilities & service	44	.02528	.03914	1.30245	.43617	.04920	.02449	.01928	1.89601
10. Auto rental	751	.02374	.03839	1.29766	.42424	.04766	.02397	.02018	1.87584
11. Parking	752	.02374	.03839	1.29766	.42424	.04766	.02397	.02018	1.87584
12. Communication-telephone	4811	.01446	.02285	1.19676	.25657	.02901	.01401	.01117	1.54483
13. Miscellaneous retail stores	59	.01506	.02386	1.19481	.31138	.03245	.01485	.01266	1.60506
14. Personal services	72	.02818	.04520	1.39398	.49944	.05727	.02696	.02199	2.07303
15. Miscellaneous business services	73	.03771	.05973	1.46332	.63800	.07052	.03684	.02994	2.33604
16. Motion pictures, amusements & recreational services	78 and 79	.03761	.05976	1.45369	.73925	.07090	.03594	.03104	2.43628

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Baltimore, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester.

SOURCE: The ADL Maryland Tourism Economic Impact Model

TABLE 3B

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION III
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT(Wages and salaries multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region III)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00479	.02073	.28908	.10431	.03350	.00517	.00456	.46214
2. Trailer parks, sporting & recreational camps	703	.00460	.01930	.26479	.09957	.03090	.00487	.00434	.42836
3. Rental homes	65	.00239	.00762	.08548	.04876	.01203	.00251	.00211	.16089
4. Food stores	54	.00279	.00900	.10515	.06528	.01480	.00276	.00273	.20251
5. Eating & drinking places	58	.00443	.02392	.37243	.10286	.03864	.00468	.00407	.55102
6. Liquor stores	592	.00298	.01066	.13492	.06947	.01745	.00297	.00288	.24133
7. Gasoline service stations, general repairs	5541	.00276	.00958	.11889	.06533	.01577	.00274	.00272	.21779
8. Local transportation, buses, cabs	41	.00550	.02678	.39251	.11590	.04205	.00610	.00501	.59383
9. Water transportation, recreational facilities & service	44	.00483	.02070	.28350	.10057	.03232	.00531	.00445	.45170
10. Auto rental	751	.00405	.01970	.28037	.06034	.03087	.00489	.00430	.43452
11. Parking	752	.00405	.01970	.28037	.09034	.03087	.00489	.00430	.43452
12. Communication-telephone	4811	.00283	.01287	.18515	.06116	.02052	.00302	.00258	.28813
13. Miscellaneous retail stores	59	.00298	.01066	.13492	.06947	.01745	.00297	.00288	.24133
14. Personal services	72	.00540	.02661	.39565	.11797	.04257	.00581	.00500	.59900
15. Miscellaneous business services	73	.00700	.03315	.47856	.15353	.05235	.00820	.00721	.73999
16. Motion pictures, amusements & recreational services	78 and 79	.00843	.02706	.31941	.17302	.04436	.00758	.00699	.58686

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester Counties

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION III
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Employment multipliers in different regions^b per \$10,000 of tourist expenditures in each category taking place in Region III)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.01	.04	.71	.17	.07	.01	.01	1.01
2. Trailer parks, sporting & recreational camps	703	.01	.04	.59	.16	.06	.01	.01	.86
3. Rental homes	65	.00	.01	.14	.07	.02	.00	.00	.25
4. Food stores	54	.00	.01	.18	.10	.02	.00	.00	.32
5. Eating & drinking places	58	.01	.05	.98	.17	.08	.01	.01	1.30
6. Liquor stores	592	.00	.02	.24	.10	.03	.00	.00	.40
7. Gasoline service stations, general repairs	5541	.00	.02	.24	.10	.03	.00	.00	.39
8. Local transportation, buses, cabs	41	.01	.05	.74	.18	.07	.01	.01	1.06
9. Water transportation, recreational facilities & service	44	.01	.03	.49	.15	.05	.01	.01	.74
10. Auto rental	751	.01	.03	.52	.14	.05	.01	.01	.76
11. Parking	752	.01	.04	.61	.14	.06	.01	.01	.87
12. Communication-telephone	4811	.00	.02	.18	.09	.03	.00	.00	.32
13. Miscellaneous retail stores	59	.00	.02	.25	.10	.03	.00	.00	.41
14. Personal services	72	.01	.05	.79	.19	.08	.01	.01	1.13
15. Miscellaneous business services	73	.01	.04	.57	.22	.07	.01	.01	.94
16. Motion pictures, amusements & recreational services	78 and 79	.01	.06	.82	.30	.09	.01	.01	1.30

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Harford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester.

SOURCE: The ADL Maryland Tourism Economic Impact Model

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION III
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(State tax revenue multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region III)

<u>TOURIST EXPENDITURE CATEGORIES</u>	<u>STANDARD INDUSTRIAL CLASSIFICATION</u>	<u>REGION I</u>	<u>REGION II</u>	<u>REGION III</u>	<u>REGION IV</u>	<u>REGION V</u>	<u>REGION VI</u>	<u>REGION VII</u>	<u>ENTIRE STATE</u>
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00053	.00188	.08060	.01122	.00303	.00054	.00046	.09825
2. Trailer parks, sporting & recreational camps	703	.00050	.00176	.03860	.01067	.00279	.00051	.00043	.05527
3. Rental homes	65	.00023	.00067	.04799	.00479	.00107	.00024	.00019	.05519
4. Food stores	54	.00029	.00083	.01012	.00677	.00136	.00028	.00026	.01990
5. Eating & drinking places	58	.00049	.00212	.07184	.01095	.00342	.00050	.00041	.08974
6. Liquor stores	592	.00031	.00097	.05254	.00723	.00159	.00031	.00028	.06323
7. Gasoline service stations, general repairs	5541	.00029	.00088	.17922	.00681	.00144	.00028	.00026	.18919
8. Local transportation, buses, cabs	41	.00059	.00236	.03290	.01205	.00371	.00062	.00049	.05271
9. Water transportation, recreational facilities & service	44	.00051	.00184	.02404	.01034	.00287	.00053	.00043	.04055
10. Auto rental	751	.00043	.00173	.07949	.00921	.00272	.00048	.00040	.09446
11. Parking	752	.00043	.00173	.03949	.00921	.00272	.00048	.00040	.05446
12. Communication-telephone	4811	.00030	.00115	.01589	.00640	.00183	.00031	.00025	.02612
13. Miscellaneous retail stores	59	.00031	.00097	.05054	.00723	.00159	.00031	.00028	.06123
14. Personal services	72	.00060	.00239	.08323	.01272	.00381	.00061	.00051	.10387
15. Miscellaneous business services	73	.00075	.00293	.04867	.01587	.00463	.00082	.00068	.07436
16. Motion pictures, amusements & recreational services	78 and 79	.00097	.00265	.04950	.02009	.00426	.00087	.00079	.07931

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester.

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION IV
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Output multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region IV)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.02693	.03587	.21577	1.64780	.06177	.02623	.02153	2.03591
2. Trailer parks, sporting & recreational camps	703	.02566	.03451	.20569	1.61338	.05784	.02467	.02039	1.98216
3. Rental homes	65	.02153	.01766	.11782	1.28104	.02784	.01283	.01008	1.47980
4. Food stores	54	.01450	.02091	.14110	1.34986	.03309	.01434	.01231	1.58613
5. Eating & drinking places	58	.02548	.03245	.22217	1.66328	.06160	.02416	.01913	2.04828
6. Liquor stores	592	.01640	.02291	.15512	1.40406	.03802	.01604	.01349	1.66604
7. Gasoline service stations, general repairs	5541	.01439	.02054	.13869	1.35184	.03306	.01410	.01215	1.58477
8. Local transportation, buses, cabs	41	.03263	.04122	.23750	1.77674	.07329	.03104	.02383	2.21624
9. Water transportation, recreational facilities & service	44	.02996	.03840	.21773	1.70030	.06634	.02864	.02216	2.10353
10. Auto rental	751	.02229	.03116	.16667	1.51427	.04891	.02263	.01925	1.82518
11. Parking	752	.02229	.03116	.16667	1.51427	.04891	.02263	.01925	1.82518
12. Communication-telephone	4811	.01603	.02084	.13095	1.38632	.03634	.01540	.01213	1.61802
13. Miscellaneous retail stores	59	.01640	.02291	.15512	1.40406	.03802	.01604	.02291	1.5512
14. Personal services	72	.03171	.04087	.25038	1.78613	.07356	.03008	.02416	2.23689
15. Miscellaneous business services	73	.03875	.05109	.26584	1.89325	.08181	.03771	.03054	2.39810
16. Motion pictures, amusements & recreational services	78 and 79	.04228	.05902	.36896	2.00339	.09704	.03919	.03392	2.64380

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Bartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester

SOURCE: The ADL Maryland Tourism Economic Impact Model

TABLE 4B

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION IV
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Wages and salaries multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region IV)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00518	.00984	.06341	.38228	.05535	.00564	.00489	.52658
2. Trailer parks, sporting & recreational camps	703	.00496	.00942	.05974	.35266	.05082	.00528	.00463	.48752
3. Rental homes	65	.00249	.00490	.02886	.11995	.01770	.00263	.00220	.17874
4. Food stores	54	.00288	.00569	.03727	.14309	.02058	.00286	.00280	.21517
5. Eating & drinking places	58	.00479	.00919	.07014	.44695	.06408	.00510	.00436	.60460
6. Liquor stores	592	.00321	.00630	.04296	.19563	.02810	.00324	.00307	.28251
7. Gasoline service stations, general repairs	5541	.00282	.00556	.03725	.15137	.02170	.00281	.00276	.22427
8. Local transportation, buses, cabs	41	.00611	.01152	.07472	.51807	.07427	.00681	.00550	.69699
9. Water transportation, recreational facilities & service	44	.00565	.01067	.06671	.44396	.06366	.00626	.00512	.60202
10. Auto rental	751	.00379	.00763	.04335	.26564	.03800	.00459	.00409	.36710
11. Parking	752	.00379	.00763	.04335	.26564	.03800	.00459	.00409	.36710
12. Communication-telephone	4811	.00310	.00590	.04000	.24365	.03508	.00334	.00280	.33387
13. Miscellaneous retail stores	59	.00321	.00630	.04296	.19563	.02810	.00324	.00307	.28251
14. Personal services	72	.00601	.01135	.07786	.52014	.07479	.00652	.00549	.70216
15. Miscellaneous business services	73	.00718	.01367	.08467	.55031	.07851	.00840	.00735	.75007
16. Motion pictures, amusements & recreational services	78 and 79	.00925	.01703	.10261	.51641	.07570	.00853	.00765	.73719

NOTES:

^a Direct, indirect, and induced impact. Refer to the accompanying text for explanation.

^b The seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester.

TABLE 4C
REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION IV
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Employment multipliers in different regions^b per \$10,000 of tourist expenditures in each category taking place in Region IV)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.01	.02	.12	.96	.13	.01	.01	1.24
2. Trailer parks, sporting & recreational camps	703	.01	.01	.10	.74	.10	.01	.01	.99
3. Rental homes	65	.00	.01	.04	.21	.03	.00	.00	.30
4. Food stores	54	.00	.01	.06	.25	.04	.00	.00	.36
5. Eating & drinking places	58	.01	.01	.14	1.28	.17	.01	.01	1.62
6. Liquor stores	592	.00	.01	.07	.42	.06	.00	.00	.57
7. Gasoline service stations, general repairs	5541	.00	.01	.06	.32	.04	.00	.00	.44
8. Local transportation, buses, cabs	41	.01	.02	.14	1.18	.16	.01	.01	1.52
9. Water transportation, recreational facilities & service	44	.01	.02	.10	.66	.09	.01	.01	.89
10. Auto rental	751	.01	.01	.06	.37	.05	.01	.01	.52
11. Parking	752	.01	.01	.07	.52	.07	.01	.01	.70
12. Communication--telephone	4811	.00	.01	.06	.31	.05	.00	.00	.43
13. Miscellaneous retail stores	59	.00	.01	.07	.35	.05	.00	.00	.49
14. Personal services	72	.01	.02	.14	1.13	.15	.01	.01	1.47
15. Miscellaneous business services	73	.01	.02	.14	1.04	.14	.01	.01	1.38
16. Motion pictures, amusements & recreational services	78 and 79	.02	.03	.19	1.17	.16	.01	.01	1.58

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester

SOURCE: The ADL Maryland Tourism Economic Impact Model

TABLE 4D

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION IV
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(State tax revenue multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region IV)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00057	.00101	.00653	.09005	.00479	.00060	.00049	.10405
2. Trailer parks, sporting & recreational camps	703	.00055	.00097	.00616	.04751	.00440	.00056	.00047	.06060
3. Rental homes	65	.00025	.00046	.00279	.05132	.00153	.00025	.00020	.05679
4. Food stores	54	.00030	.00056	.00381	.01401	.00182	.00029	.00027	.02107
5. Eating & drinking places	58	.00054	.00094	.00706	.07971	.00546	.00054	.00044	.09469
6. Liquor stores	592	.00034	.00063	.00438	.05845	.00245	.00034	.00030	.06689
7. Gasoline service stations, general repairs	5541	.00030	.00055	.00382	.18270	.00191	.00029	.00027	.18984
8. Local transportation, buses, cabs	41	.00066	.00115	.00745	.04515	.00632	.00070	.00054	.06197
9. Water transportation, recreational facilities & service	44	.00061	.00106	.00666	.03889	.00543	.00064	.00050	.05377
10. Auto rental	751	.00040	.00074	.00431	.07937	.00325	.00045	.00038	.08889
11. Parking	752	.00040	.00074	.00431	.03937	.00325	.00045	.00038	.04889
12. Communication-telephone	4811	.00034	.00059	.00401	.02168	.00300	.00034	.00028	.03023
13. Miscellaneous retail stores	59	.00034	.00063	.00438	.05645	.00245	.00034	.00030	.06489
14. Personal services	72	.00068	.00118	.00794	.09567	.00641	.00069	.00056	.11313
15. Miscellaneous business services	73	.00077	.00136	.00852	.05677	.00671	.00084	.00070	.07566
16. Motion pictures, amusements & recreational services	78 and 79	.00107	.00188	.01128	.06947	.00682	.00098	.00086	.09236

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Dorchester.

TABLE 5A
REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION V
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Output multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region V)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.02717	.03664	.25701	.51275	1.16645	.02669	.02186	2.04857
2. Trailer parks, sporting & recreational camps	703	.02586	.03520	.24300	.48997	1.15312	.02508	.02068	1.99290
3. Rental homes	65	.02143	.01768	.12662	.24385	1.05279	.01280	.01006	1.47624
4. Food stores	54	.01438	.02092	.15068	.30862	1.06048	.01430	.01228	1.58166
5. Eating & drinking places	58	.02383	.03130	.25272	.46289	1.17011	.02297	.01831	1.98213
6. Liquor stores	592	.02012	.02722	.21259	.40222	1.12700	.01956	.01594	1.82464
7. Gasoline service stations, general repairs	5541	.01418	.02047	.14861	.30464	1.06281	.01399	.01207	1.57677
8. Local transportation, buses, cabs	41	.03304	.04241	.29773	.58277	1.22548	.03178	.02435	2.23756
9. Water transportation, recreational facilities & service	44	.02448	.03302	.20528	.44301	1.12616	.02392	.01888	1.87475
10. Auto rental	751	.02615	.03575	.23443	.48365	1.16255	.02634	.02184	1.99072
11. Parking	752	.02615	.03575	.23443	.48365	1.16255	.02634	.02184	1.99072
12. Communication-telephone	4811	.01578	.02089	.15350	.29101	1.10030	.01533	.01208	1.60889
13. Miscellaneous retail stores	59	.02012	.02722	.21259	.40222	1.12700	.01956	.01594	1.82464
14. Personal services	72	.03212	.04207	.31061	.59217	1.22574	.03082	.02467	2.25821
15. Miscellaneous business services	73	.04031	.05357	.33919	.71483	1.24913	.03952	.03180	2.46835
16. Motion pictures, amusements & recreational services	78 and 79	.03681	.05363	.35651	.74610	1.15686	.03448	.03064	2.41502

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Harford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester

SOURCE: The ADL Maryland Tourism Economic Impact Model

TABLE 5B

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION V
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Wages and salaries multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region V)

<u>TOURIST EXPENDITURE CATEGORIES</u>	<u>STANDARD INDUSTRIAL CLASSIFICATION</u>	<u>REGION I</u>	<u>REGION II</u>	<u>REGION III</u>	<u>REGION IV</u>	<u>REGION V</u>	<u>REGION VI</u>	<u>REGION VII</u>	<u>ENTIRE STATE</u>
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00522	.01049	.08814	.10638	.32473	.00574	.00496	.54566
2. Trailer parks, sporting & recreational camps	703	.00499	.01001	.08218	.10171	.29572	.00538	.00470	.50467
3. Rental homes	65	.00248	.00500	.03437	.04897	.08224	.00262	.00220	.17789
4. Food stores	54	.00286	.00581	.04329	.06472	.09147	.00285	.00279	.21378
5. Eating & drinking places	58	.00451	.00929	.09122	.09642	.34807	.00482	.00417	.55849
6. Liquor stores	592	.00386	.00792	.07237	.08395	.24716	.00405	.00363	.42293
7. Gasoline service stations, general repairs	5541	.00279	.00566	.04361	.06363	.09891	.00278	.00275	.22013
8. Local transportation, buses, cabs	41	.00618	.01249	.11079	.12064	.46518	.00698	.00562	.72788
9. Water transportation, recreational facilities & service	44	.00469	.00933	.06737	.09191	.23271	.00518	.00437	.41558
10. Auto rental	751	.00447	.00943	.07882	.09241	.32021	.00544	.00468	.51544
11. Parking	752	.00447	.00943	.07882	.09241	.32021	.00544	.00468	.51544
12. Communication-telephone	4811	.00306	.00617	.05413	.06171	.20052	.00332	.00279	.33170
13. Miscellaneous retail stores	59	.00386	.00792	.07237	.08395	.24716	.00405	.00363	.42293
14. Personal services	72	.00608	.01231	.11393	.12271	.46571	.00668	.00561	.73304
15. Miscellaneous business services	73	.00745	.01507	.12700	.15201	.50526	.00881	.00763	.82323
16. Motion pictures, amusements & recreational services	78 and 79	.00829	.01570	.10328	.16436	.24476	.00745	.00690	.55074

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Dorchester, and Kent.

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION V
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT(Employment multipliers in different regions^b per \$10,000 of tourist expenditures in each category taking place in Region V)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.01	.02	.18	.16	.95	.01	.01	1.34
2. Trailer parks, sporting & recreational camps	703	.01	.02	.15	.15	.70	.01	.01	1.04
3. Rental homes	65	.00	.01	.05	.07	.15	.00	.00	.28
4. Food stores	54	.00	.01	.07	.09	.17	.00	.00	.36
5. Eating & drinking places	58	.01	.01	.21	.14	1.22	.01	.01	1.61
6. Liquor stores	592	.01	.01	.12	.12	.49	.01	.01	.77
7. Gasoline service stations, general repairs	5541	.00	.01	.08	.09	.25	.00	.00	.44
8. Local transportation, buses, cabs	41	.00	.02	.28	.18	1.74	.01	.01	2.24
9. Water transportation, recreational facilities & service	44	.01	.01	.11	.13	.42	.01	.01	.70
10. Auto rental	751	.01	.01	.13	.14	.60	.01	.01	.90
11. Parking	752	.01	.01	.14	.14	.72	.01	.01	1.04
12. Communication-telephone	4811	.00	.01	.07	.09	.22	.00	.00	.41
13. Miscellaneous retail stores	59	.01	.01	.12	.12	.51	.01	.01	.78
14. Personal services	72	.01	.02	.22	.19	1.17	.01	.01	1.63
15. Miscellaneous business services	73	.01	.02	.18	.22	.69	.01	.01	1.15
16. Motion pictures, amusements & recreational services	78 and 79	.01	.03	.19	.27	.64	.01	.01	1.17

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Harford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester

SOURCE: The ADL Maryland Tourism Economic Impact Model

TABLE 5D

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION V
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

^b (State tax revenue multipliers in different regions per dollar of tourist expenditures in each category taking place in Region V)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00058	.00108	.00879	.01193	.08212	.00061	.00050	.10560
2. Trailer parks, sporting & recreational camps	703	.00055	.00103	.00820	.01135	.03982	.00057	.00047	.06199
3. Rental homes	65	.00025	.00047	.00329	.00493	.04731	.00025	.00020	.05670
4. Food stores	54	.00030	.00057	.00436	.00683	.00830	.00029	.00027	.02093
5. Eating & drinking places	58	.00050	.00095	.00894	.01076	.06852	.00051	.00042	.09060
6. Liquor stores	592	.00042	.00080	.00714	.00921	.06057	.00043	.00036	.07893
7. Gasoline service stations, general repairs	5541	.00029	.00056	.00440	.00676	.17688	.00029	.00027	.18945
8. Local transportation, buses, cabs	41	.00067	.00125	.01075	.01327	.03728	.00072	.00055	.06449
9. Water transportation, recreational facilities & service	44	.00049	.00091	.00660	.00972	.01896	.00052	.00042	.03761
10. Auto rental	751	.00048	.00093	.00763	.00992	.08166	.00054	.00044	.10160
11. Parking	752	.00048	.00093	.00763	.00992	.04166	.00054	.00044	.06160
12. Communication-telephone	4811	.00033	.00062	.00529	.00676	.01637	.00034	.00028	.02999
13. Miscellaneous retail stores	59	.00042	.00080	.00714	.00921	.05857	.00043	.00036	.07693
14. Personal services	72	.00068	.00127	.01124	.01395	.08722	.00071	.00057	.11565
15. Miscellaneous business services	73	.00080	.00150	.01241	.01646	.04093	.00089	.00073	.08182
16. Motion pictures, amusements & recreational services	78 and 79	.00095	.00173	.01122	.01946	.04119	.00086	.00078	.07619

NOTES:

^a Direct, indirect, and induced impact. Refer to the accompanying text for explanation.

^b The seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Sussex, Wicomico, and Dorchester.

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION VI
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Output multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region VI)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.02604	.03486	.19849	.44759	.06715	1.18783	.02095	1.98293
2. Trailer parks, sporting & recreational camps	703	.02490	.03364	.19025	.43208	.06315	1.17178	.01993	1.93573
3. Rental homes	65	.01226	.01735	.11311	.22942	.02913	1.05315	.00991	1.46433
4. Food stores	54	.01437	.02075	.13698	.29492	.03508	1.06162	.01223	1.57595
5. Eating & drinking places	58	.02459	.03143	.20204	.41661	.06943	1.22855	.01860	1.99126
6. Liquor stores	592	.01609	.02254	.14790	.31534	.04085	1.08963	.01330	1.64565
7. Gasoline service stations, general repairs	5541	.01415	.02027	.13351	.28942	.03498	1.06540	.01201	1.56973
8. Local transportation, buses, cabs	41	.03080	.03919	.20909	.48200	.07963	1.25410	.02271	2.11751
9. Water transportation, recreational facilities & service	44	.02707	.03529	.18534	.43757	.06709	1.19316	.02038	1.96590
10. Auto rental	751	.02318	.03204	.16452	.39746	.05773	1.15531	.01982	1.85006
11. Parking	752	.02318	.03204	.16452	.39746	.05773	1.15531	.01982	1.85006
12. Communication-telephone	4811	.01533	.02005	.11886	.25401	.03965	1.11876	.01170	1.57836
13. Miscellaneous retail stores	59	.01609	.02254	.14790	.31534	.04085	1.08963	.01330	1.64565
14. Personal services	72	.02988	.03885	.22197	.49139	.07989	1.25314	.02304	2.13816
15. Miscellaneous business services	73	.03764	.04982	.24179	.60289	.09070	1.27548	.02987	2.32819
16. Motion pictures, amusements & recreational services	78 and 79	.03940	.05591	.33657	.74066	.09779	1.20371	.03214	2.50617

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester

SOURCE: The ADL Maryland Tourism Economic Impact Model

TABLE 6B

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION VI
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Wages and salaries multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region VI)

<u>TOURIST EXPENDITURE CATEGORIES</u>	<u>STANDARD INDUSTRIAL CLASSIFICATION</u>	<u>REGION I</u>	<u>REGION II</u>	<u>REGION III</u>	<u>REGION IV</u>	<u>REGION V</u>	<u>REGION VI</u>	<u>REGION VII</u>	<u>ENTIRE STATE</u>
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00502	.00941	.04430	.09281	.02204	.33692	.00476	.51526
2. Trailer parks, sporting & recreational camps	703	.00482	.00905	.04243	.08964	.02065	.30649	.00452	.47761
3. Rental homes	65	.00245	.00477	.02392	.04596	.00917	.08530	.00216	.17372
4. Food stores	54	.00286	.00561	.03206	.06185	.01135	.09947	.00278	.21596
5. Eating & drinking places	58	.00464	.00873	.04663	.08668	.02289	.42331	.00423	.59710
6. Liquor stores	592	.00316	.00613	.03450	.06601	.01329	.15382	.00302	.27993
7. Gasoline service stations, general repairs	5541	.00278	.00544	.03129	.06045	.01129	.10779	.00273	.22178
8. Local transportation, buses, cabs	41	.00579	.01074	.04639	.09967	.02575	.46462	.00524	.65821
9. Water transportation, recreational facilities & service	44	.00514	.00960	.04107	.09061	.02154	.34641	.00471	.51908
10. Auto rental	751	.00395	.00780	.03262	.07454	.01732	.27368	.00422	.41413
11. Parking	752	.00395	.00780	.03262	.07454	.01732	.27368	.00422	.41413
12. Communication-telephone	4811	.00298	.00558	.02732	.05399	.01319	.21525	.00270	.32101
13. Miscellaneous retail stores	59	.00316	.00613	.03450	.06601	.01329	.15382	.00302	.27993
14. Personal services	72	.00569	.01057	.04953	.10175	.02628	.46433	.00523	.66338
15. Miscellaneous business services	73	.00698	.01310	.05706	.12873	.03025	.49504	.00719	.73835
16. Motion pictures, amusements & recreational services	78 and 79	.00875	.01597	.07698	.16305	.03358	.34867	.00724	.65424

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION VI
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

.(Employment multipliers in different regions^b per \$10,000 of tourist expenditures in each category taking place in Region VI)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.01	.01	.07	.14	.03	1.01	.01	1.28
2. Trailer parks, sporting & recreational camps	703	.01	.01	.06	.14	.03	.17	.01	.97
3. Rental homes	65	.00	.01	.03	.06	.01	.19	.00	.31
4. Food stores	54	.00	.01	.05	.09	.02	.19	.00	.36
5. Eating & drinking places	58	.01	.01	.07	.13	.03	1.42	.01	1.67
6. Liquor stores	592	.00	.01	.05	.10	.02	.40	.00	.58
7. Gasoline service stations, general repairs	5541	.00	.01	.05	.09	.02	.28	.00	.45
8. Local transportation, buses, cabs	41	.01	.02	.07	.15	.04	1.74	.01	2.03
9. Water transportation, recreational facilities & service	44	.01	.01	.06	.13	.03	.52	.01	.77
10. Auto rental	751	.01	.01	.05	.11	.03	.51	.01	.72
11. Parking	752	.01	.01	.05	.11	.03	.62	.01	.82
12. Communication-telephone	4811	.00	.01	.04	.08	.02	.24	.00	.40
13. Miscellaneous retail stores	59	.00	.01	.05	.10	.02	.31	.00	.49
14. Personal services	72	.01	.02	.08	.15	.04	1.24	.01	1.54
15. Miscellaneous business services	73	.01	.02	.08	.19	.05	1.21	.01	1.56
16. Motion pictures, amusements & recreational services	78 and 79	.01	.03	.13	.27	.05	.91	.01	1.41

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester.

SOURCE: The ADL Maryland Tourism Economic Impact Model

TABLE 6D

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION VI
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(State tax revenue multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region VI)

<u>TOURIST EXPENDITURE CATEGORIES</u>	<u>STANDARD INDUSTRIAL CLASSIFICATION</u>	<u>REGION I</u>	<u>REGION II</u>	<u>REGION III</u>	<u>REGION IV</u>	<u>REGION V</u>	<u>REGION VI</u>	<u>REGION VII</u>	<u>ENTIRE STATE</u>
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00055	.00097	.00495	.01025	.00230	.08249	.00048	.10199
2. Trailer parks, sporting & recreational camps	703	.00053	.00093	.00473	.00986	.00215	.04013	.00045	.05878
3. Rental homes	65	.00024	.00045	.00238	.00456	.00089	.04738	.00020	.05610
4. Food stores	54	.00030	.00055	.00339	.00648	.00113	.00871	.00027	.02083
5. Eating & drinking places	58	.00052	.00089	.00513	.00955	.00239	.07379	.00043	.09270
6. Liquor stores	592	.00034	.00061	.00368	.00699	.00135	.05292	.00029	.06618
7. Gasoline service stations, general repairs	5541	.00029	.00054	.00333	.00637	.00114	.17735	.00026	.18929
8. Local transportation, buses, cabs	41	.00062	.00107	.00509	.01068	.00266	.03651	.00051	.05715
9. Water transportation, recreational facilities & service	44	.00054	.00095	.00445	.00956	.00220	.02736	.00045	.04552
10. Auto rental	751	.00042	.00076	.00350	.00771	.00176	.07755	.00039	.09208
11. Parking	752	.00042	.00076	.00350	.00771	.00176	.03755	.00039	.05208
12. Communication-telephone	4811	.00032	.00056	.00296	.00580	.00136	.01718	.00027	.02844
13. Miscellaneous retail stores	59	.00034	.00061	.00368	.00699	.00135	.05092	.00029	.06418
14. Personal services	72	.00064	.00110	.00558	.01136	.00276	.08635	.00053	.10831
15. Miscellaneous business services	73	.00074	.00130	.00625	.01358	.00310	.04742	.00068	.07308
16. Motion pictures, amusements & recreational services	78 and 79	.00101	.00176	.00907	.01930	.00359	.04854	.00081	.08410

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION VII
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Output multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region VII)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.02660	.03580	.19410	.44203	.04837	.05154	1.23450	2.03294
2. Trailer parks, sporting & recreational camps	703	.02542	.03452	.18641	.42725	.04611	.04791	1.21417	1.98179
3. Rental homes	65	.01240	.01759	.11205	.22810	.02445	.01915	1.06323	1.47697
4. Food stores	54	.01454	.02103	.13575	.29337	.02962	.02190	1.07451	1.59072
5. Eating & drinking places	58	.02531	.03264	.19670	.40991	.04577	.05659	1.28828	2.05520
6. Liquor stores	592	.01635	.02298	.14598	.31293	.03233	.02772	1.11039	1.66867
7. Gasoline service stations, general repairs	5541	.01433	.02057	.13217	.28774	.02904	.02223	1.07970	1.58578
8. Local transportation, buses, cabs	41	.03159	.04052	.20324	.47466	.05372	.06578	1.31803	2.18754
9. Water transportation, recreational facilities & service	44	.02766	.03628	.18099	.43212	.04782	.05312	1.2400	2.01798
10. Auto rental	751	.02364	.03282	.16109	.39316	.04253	.04478	1.19315	1.89116
11. Parking	752	.02364	.03282	.16109	.39316	.04253	.04478	1.19315	1.89116
12. Communication-telephone	4811	.01570	.02066	.11615	.25062	.02766	.03160	1.14838	1.61077
13. Miscellaneous retail stores	59	.01635	.02298	.14598	.31293	.03233	.02772	1.11039	1.66867
14. Personal services	72	.03067	.04018	.21612	.48406	.05398	.06482	1.31836	2.20819
15. Miscellaneous business services	73	.03847	.05123	.23558	.59510	.06317	.07537	1.34368	2.40260
16. Motion pictures, amusements & recreational services	78 and 79	.03999	.05690	.33222	.73520	.07852	.06367	1.25176	2.55825

NOTES:

^a Direct, indirect, and induced impact. Refer to the accompanying text for explanation.

^b The seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester.

SOURCE: The ADI Maryland Tourism Economic Impact Model

TABLE 7B

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION VII
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Wages and salaries multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region VII)

<u>TOURIST EXPENDITURE CATEGORIES</u>	<u>STANDARD INDUSTRIAL CLASSIFICATION</u>	<u>REGION I</u>	<u>REGION II</u>	<u>REGION III</u>	<u>REGION IV</u>	<u>REGION V</u>	<u>REGION VI</u>	<u>REGION VII</u>	<u>ENTIRE STATE</u>
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00512	.00957	.04257	.09166	.01788	.01141	.34788	.52609
2. Trailer parks, sporting & recreational camps	703	.00491	.00920	.04089	.08865	.01688	.01058	.31648	.48759
3. Rental homes	65	.00247	.00482	.02349	.04569	.00813	.00407	.08779	.17646
4. Food stores	54	.00288	.00566	.03156	.06153	.01014	.00458	.10281	.21916
5. Eating & drinking places	58	.00477	.00893	.04449	.08529	.01765	.01249	.43733	.61096
6. Liquor stores	592	.00230	.00621	.03373	.06551	.01140	.00591	.15896	.28492
7. Gasoline service stations, general repairs	5541	.00281	.00549	.03076	.06010	.00998	.00466	.11146	.22526
8. Local transportation, buses, cabs	41	.00593	.01097	.04405	.09815	.02001	.01473	.47954	.67339
9. Water transportation, recreational facilities & service	44	.00525	.00977	.03933	.08948	.01727	.01184	.35742	.53036
10. Auto rental	751	.00403	.00793	.03124	.07365	.01396	.00964	.28258	.42303
11. Parking	752	.00403	.00793	.03124	.07365	.01396	.00964	.28258	.42303
12. Communication-telephone	4811	.00304	.00569	.02624	.05328	.01054	.00703	.22221	.32803
13. Miscellaneous retail stores	59	.00320	.00621	.03373	.06551	.01140	.00591	.15896	.28492
14. Personal services	72	.00713	.01334	.05457	.12712	.02415	.01699	.51118	.75448
15. Miscellaneous business services	73	.00885	.01614	.07524	.16192	.02932	.01411	.35996	.66553
16. Motion pictures, amusements & recreational services	78 and 79	.00885	.01614	.07524	.16192	.02932	.01411	.35996	.66553

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION VII
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT

(Employment multipliers in different regions^b per \$10,000 of tourist expenditures in each category taking place in Region VII)

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.01	.01	.06	.14	.03	.02	.97	1.24
2. Trailer parks, sporting & recreational camps	703	.01	.01	.06	.13	.03	.02	.73	.99
3. Rental homes	65	.00	.01	.03	.06	.01	.01	.15	.27
4. Food stores	54	.00	.01	.05	.09	.02	.01	.22	.39
5. Eating & drinking places	58	.01	.01	.07	.13	.03	.02	1.44	1.69
6. Liquor stores	592	.00	.01	.05	.10	.02	.01	.38	.56
7. Gasoline service stations, general repairs	5541	.00	.01	.04	.09	.02	.01	.25	.42
8. Local transportation, buses, cabs	41	.01	.02	.07	.14	.03	.02	.96	1.25
9. Water transportation, recreational facilities & service	44	.01	.01	.06	.13	.03	.02	.62	.88
10. Auto rental	751	.01	.01	.05	.11	.02	.01	.53	.73
11. Parking	752	.01	.01	.05	.11	.02	.01	.63	.84
12. Communication-telephone	4811	.00	.01	.04	.08	.02	.01	.28	.44
13. Miscellaneous retail stores	59	.00	.01	.05	.10	.02	.01	.35	.54
14. Personal services	72	.01	.02	.07	.15	.03	.02	1.20	1.51
15. Miscellaneous business services	73	.01	.02	.08	.18	.04	.03	1.32	1.67
16. Motion pictures, amusements & recreational services	78 and 79	.01	.03	.12	.27	.05	.02	.94	1.44

NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.

^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Harford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester

SOURCE: The ADL Maryland Tourism Economic Impact Model

TABLE 7D

REGIONAL DISTRIBUTION OF THE IMPACT^a OF TOURIST EXPENDITURES MADE IN REGION VII
IN MARYLAND, BY TYPE OF EXPENDITURE AND TYPE OF IMPACT(State tax revenue multipliers in different regions^b per dollar of tourist expenditures in each category taking place in Region

TOURIST EXPENDITURE CATEGORIES	STANDARD INDUSTRIAL CLASSIFICATION	REGION I	REGION II	REGION III	REGION IV	REGION V	REGION VI	REGION VII	ENTIRE STATE
1. Hotels, motels, tourist courts, rooming & boarding houses, organizational hotels & lodging houses	7011, 7021, and 7042	.00057	.00099	.00474	.01007	.00179	.00130	.08252	.10197
2. Trailer parks, sporting & recreational camps	703	.00054	.00095	.00454	.00970	.00169	.00120	.04016	.05878
3. Rental homes	65	.00024	.00045	.00233	.00452	.00076	.00043	.04737	.05610
4. Food stores	54	.00030	.00056	.00333	.00643	.00099	.00050	.00872	.02083
5. Eating & drinking places	58	.00053	.00092	.00487	.00934	.00176	.00144	.07385	.09270
6. Liquor stores	592	.00034	.00062	.00359	.00692	.00112	.00066	.05924	.06618
7. Gasoline service stations, general repairs	5541	.00030	.00055	.00327	.00632	.00098	.00051	.17737	.18929
8. Local transportation, buses, cabs	41	.00064	.00110	.00480	.01044	.00197	.00166	.03654	.05715
9. Water transportation, recreational facilities & service	44	.00056	.00097	.00424	.00938	.00169	.00132	.02737	.04552
10. Auto rental	751	.00043	.00077	.00333	.00757	.00135	.00106	.07758	.09209
11. Parking	752	.00043	.00077	.00333	.00757	.00135	.00106	.03758	.05209
12. Communication-telephone	4811	.00033	.00057	.00282	.00569	.00104	.00079	.01720	.02844
13. Miscellaneous retail stores	59	.00034	.00062	.00359	.00692	.00112	.00066	.05094	.06418
14. Personal services	72	.00065	.00112	.00529	.01112	.00207	.00166	.08641	.10831
15. Miscellaneous business services	73	.00076	.00133	.00594	.01333	.00237	.00188	.04747	.07308
16. Motion pictures, amusements & recreational services	78 and 79	.00102	.00178	.00886	.01913	.00308	.00166	.04857	.08410

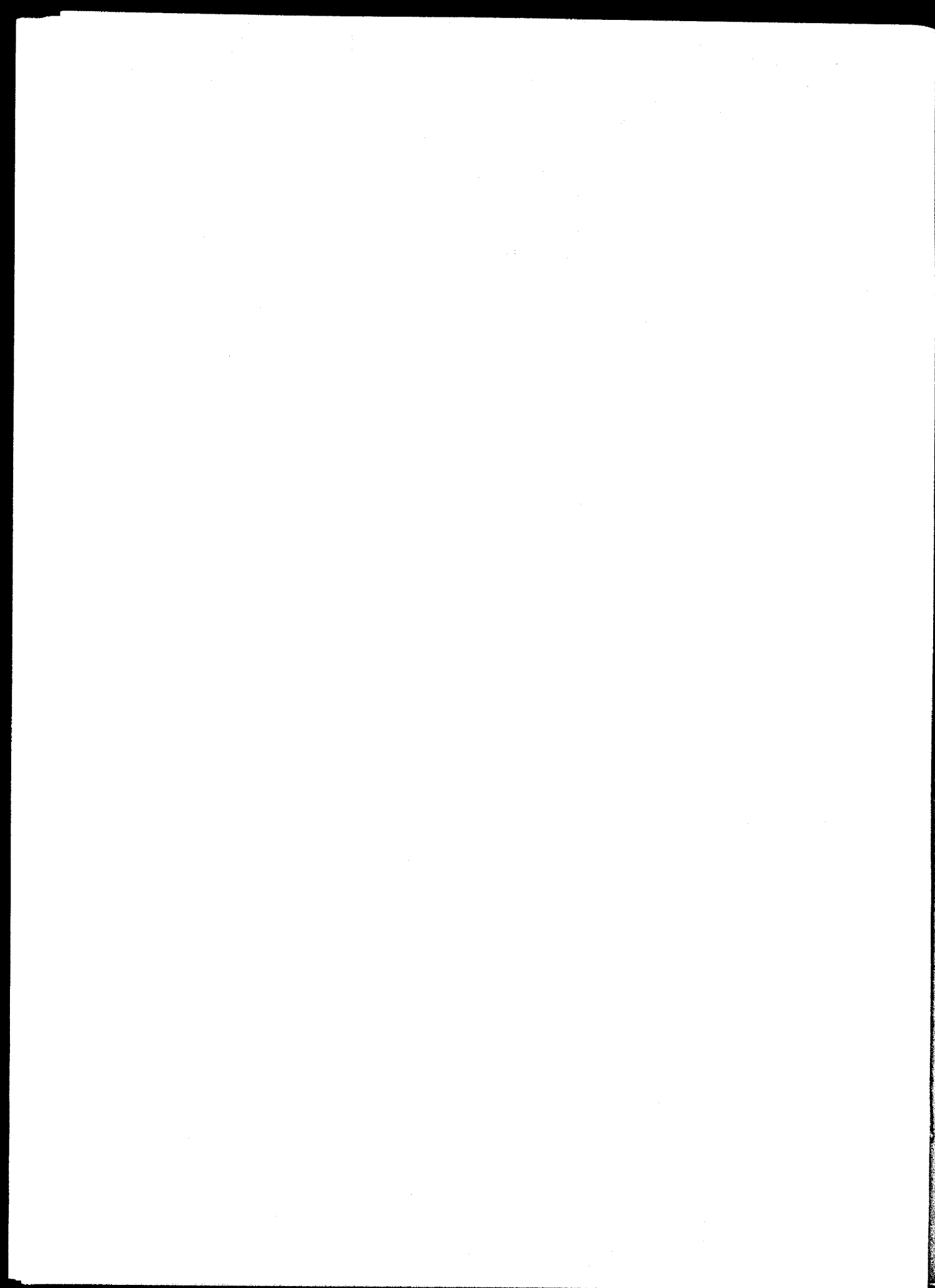
NOTES:

^aDirect, indirect, and induced impact. Refer to the accompanying text for explanation.^bThe seven regions in Maryland are defined in this study as follows:

- I Western Appalachia - Garrett and Allegany Counties;
- II Eastern Appalachia - Washington and Frederick;
- III Washington Metropolitan - Prince George's and Montgomery;
- IV Baltimore Metropolitan - Howard, Hartford, Carroll, Baltimore;
- V Southern Maryland - Anne Arundel, Charles, St. Mary's, and Calvert;
- VI Upper Eastern Shore - Cecil, Kent, Queen Anne's, Caroline, Talbot, and Dorchester; and
- VII Lower Eastern Shore - Wicomico, Somerset, and Worcester.

APPENDIX D

TECHNICAL DESCRIPTION OF THE MARYLAND
TOURISM ECONOMIC IMPACT MODEL

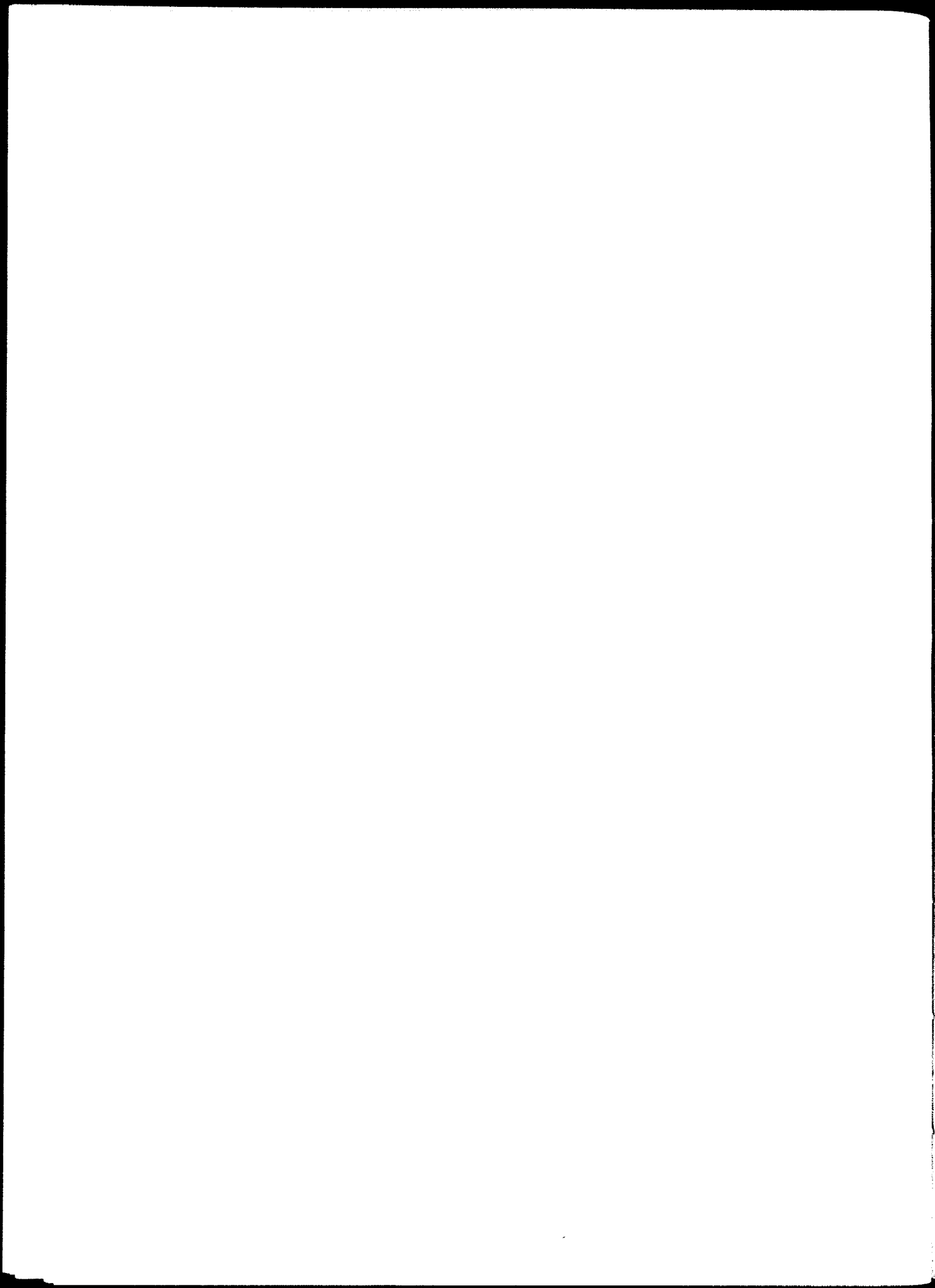


APPENDIX D

TECHNICAL DESCRIPTION OF THE MARYLAND TOURISM ECONOMIC IMPACT MODEL

TABLE OF CONTENTS

	<u>Page</u>
I. Direct Effects	D-1
A. Effects on Sales	D-1
B. Effects on Payroll	D-2
C. Employment Effects	D-3
II. Indirect Effects	D-4
A. Effects on Sales (Output) of Goods and Services	D-4
B. Effects on Payroll	D-8
C. Effects on Employment	D-9
III. Induced (Consumption Multiplier) Effects . .	D-10
IV. Computation of State Tax Revenues	D-13
A. State and County Income Taxes	D-14
B. Sales Tax	D-15
1. Sales Tax at the Direct Level . . .	D-15
2. Sales Tax at the Indirect Level . .	D-15
3. Sales Tax at the Induced Level . . .	D-16
C. Corporate and Business Income Taxes . .	D-16
1. Direct and Indirect Effects	D-16
2. Induced Multiplier Effects	D-19



We describe here in technical detail the structure of the ADL Maryland Tourism Economic Impact Model. We will proceed by describing first measurement of direct effects. This is followed by a description of the computation of indirect effects and, finally, of induced effects.

1. DIRECT EFFECTS

A. Effects on Sales

Let $X_j = (x_{kj})$ be the vector of tourist expenditures, by tourism impact categories (TIAC's) as listed earlier, in Region j . For our analysis, we have sixteen tourist expenditure categories $k = 1, 2, \dots, 16$ and seven regions in Maryland $j = 1, 2, \dots, 7$. For computational purposes, in running the model, we set the value of each x_{kj} at \$10,000, in each run, while keeping the other elements at zero. That is,

$$\begin{aligned} x_{kj} &= \$10,000 \\ (1.01) \quad x_{ij} &= 0 \text{ for all } i \neq k. \end{aligned}$$

We are now ready to trace through the effects of \$10,000 worth of spending in Region j in TIAC k . We assume at the direct level that the goods and services reflected by $X_j = (x_{kj})$ are supplied by Region j . Hence, we have, for the direct effects,

$$(1.02) \quad x_j^* = \sum_{k=1}^{16} x_{kj} \quad \begin{array}{l} k = 1, \dots, 16; \\ j = 1, \dots, 7. \end{array}$$

where

- x_j^* : total value of goods and services supplied by Region j as a result of direct tourist expenditures,
- x_{kj} : as defined above. Note that $x_{ij} = 0$ for all $i \neq k$;
 $x_{kj} = \$10,000$.

B. Effects on Payroll

Payroll (wages and salaries) generated in Region j as a result of \$10,000 of tourist expenditures in TIAC k (i.e., x_{kj}) can be estimated as follows:

$$(1.03) \quad W_j = \hat{\mu}_j x_j \quad j = 1, 2, \dots, 7;$$

where

$W_j = (w_{kj})$: vector showing value of payroll generated in Region j (16 x 1 vector) by direct tourist spending,

$\hat{\mu}_j = [\mu_{kk,j}]$: diagonal matrix (16 x 16) in which each diagonal element $\mu_{kk,j}$ shows the payroll/sales ratio for tourist expenditure category k in Region j ,

x_j : as explained earlier.

Total payroll (wages and salaries) generated in Region j , from tourist expenditures in all categories, can be obtained as follows:

$$(1.04) \quad w_j = \sum_{k=1}^{16} w_{kj}.$$

Next, we can distribute the total payroll that is directly generated in each region to other regions to which it will accrue, on the basis of the residence of the employees:

$$(1.05) \quad W^* = \Phi W$$

where

$W^* = (w_j^*)$: vector of payroll accruing to each region in Maryland and to the rest of the United States,

$\Phi = [\phi_{ij}]$: distribution or allocation matrix (8 x 7), in which each element, ϕ_{ij} , shows the proportion of payroll generated in Region j accruing to Region i

($i = 1, 2, \dots, 8$). Note that $i = j$ except for $i = 8$, which corresponds to the rest of the United States. For accounting reasons, we have

$$\sum_{i=1}^8 \epsilon_{ij} = 1.$$

$W = (w_j)$: vector (7×1) showing the value of total payroll directly generated in each region as a result of tourist expenditures.

C. Employment Effects

Total full-time equivalent employment (man-years) directly generated by tourist expenditures in each category (made in a given region) (i.e., x_{kj}) can be estimated as follows:

$$(1.06) \quad E_j = \hat{\lambda}_j W_j$$

where

$E_j = (e_{kj})$: vector (16×1) of total employment generated in Region j directly as a result of new payroll generated by tourist expenditures,

$\hat{\lambda}_j = [\lambda_{kk,j}]$: diagonal matrix (16×16), in which each diagonal element λ_{kk} shows the employment/unit payroll ratio for expenditure category k in Region j ,

$W_j = (w_{kj})$: as explained earlier.

Total employment generated in a given region (Region j) can then be computed as:

$$(1.07) \quad e_j = \sum_{k=1}^{16} e_{kj}.$$

Next, total employment generated directly in each region can be allocated to the various regions and to the rest of the United States, reflecting differences between places of work and residence:

$$(1.08) \quad E^* = \Phi E$$

where

$E^* = (e_j^*)$: total employment accruing to each of the seven regions in Maryland and to the rest of the United States,

$\Phi = [\phi_{ij}]$: distribution or allocation matrix (8 x 7), as explained earlier,

$E = (e_j)$: vector of total employment generated in each of the seven regions in Maryland directly as a result of tourist spending (7 x 1).

II. INDIRECT EFFECTS

The indirect effects are calculated at a greater level of generality, due to the fact that the industry sectors in the Maryland Interindustry study have been defined more broadly than the sixteen individual tourist expenditure categories as defined in the present study. Since we used the interindustry multipliers from the Maryland Interindustry Study, we had to match each one of the sixteen tourist expenditure categories (TIAC's) against as many corresponding industry sectors in the Maryland Input-Output Model. In some cases, more than one expenditure category was matched against the same industry sector, since the expenditure categories are defined at a more refined level than the industry sectors. This meant that in some cases we had to use the interindustry sales multiplier for a given industry for more than one expenditure category.

A. Effects on Sales (Output) of Goods and Services

To compute the indirect output of goods and services generated by an initial increase in the demand for goods and services through direct expenditures by tourists, we proceed as follows:

(2.00)

$$\tilde{X}_j = A X_j$$

where

$\tilde{X}_j = (\tilde{x}_{hj})$: vector of indirect interindustry demand for goods and services (10 x 1), by major supplying sectors (e.g., manufacturing, wholesale and retail trade, etc.), where $j = 1, 2, \dots, 7$;

$X_j = (x_{kj})$: vector of tourist expenditures (16 x 1) as explained earlier under "Direct Effects",

$A = [\alpha_{hk}]$: matrix (10 x 16) of aggregate indirect sectoral interindustry sales multipliers developed from the Maryland Interindustry Study for 1970, where these multipliers refer to "in state" production multipliers, after having accounted for Maryland's trade relationships with the rest of the United States or the rest of the world.

Each column in this matrix, $k = 1, 2, \dots, 16$ refers to an industry sector specified in the Maryland Interindustry Study, corresponding to a given tourist expenditure category. Each row $h = 1, 2, \dots, 10$ corresponds to a major sector of production, as listed below. Using the Leontief inverse matrix for Maryland (1970), we have derived each α_{hk} as follows:

Row Number (in Matrix A)	Maryland Impact Sectors (MIS's)	Standard Industrial Classification (SIC)	Maryland Interindustry Study Sectors	Derivation of α_{hk}
$h = 1$	Manufacturing	13-39	13-74	$\alpha_{hk} = \sum_{i=13}^{74} \alpha_{ik}$
$h = 2$	Mining and Quarrying	10-14	5-10	$\alpha_{hk} = \sum_{i=5}^{10} \alpha_{ik}$
$h = 3$	Construction	15-17	11-12	$\alpha_{hk} = \sum_{i=11}^{12} \alpha_{ik}$
$h = 4$	Transportation, Communication, Utilities	40-42; 44-49 44-49	75-80	$\alpha_{hk} = \sum_{i=75}^{80} \alpha_{ik}$
$h = 5$	Wholesale & Retail Trade	50, 52-59	81	$\alpha_{hk} = \alpha_{81,k}$
$h = 6$	Finance, Insurance Real Estate and Rental	60-67	82, 83	$\alpha_{hk} = \sum_{i=82}^{83} \alpha_{ik}$
$h = 7$	Personal Services	70, 72, 75, 76, 78, 79, 80, 82, 84, 86	84, 86-89, 92	$\alpha_{hk} = \sum_{i=84}^{92} \alpha_{ik}$ $i \neq 85$ $i \neq 90, 91$
$h = 8$	Business Services	73, 654, 81, 89	85, 90	$\alpha_{hk} = \alpha_{85k} + \alpha_{90k}$
$h = 9$	Government	92	91	$\alpha_{hk} = \alpha_{91k}$

In the A-matrix, each element α_{hk} indicates total output indirectly required from sector h (in Maryland), per dollar of tourist expenditure in category k (i.e., per dollar of industry/business sector k's delivery or sales for final consumption). Since each α_{hk} is an indirect inter-industry multiplier, which conceptually differs from the "direct and indirect" multiplier as the elements in the Leontief inverse are normally referred to in terms of terminology, we have subtracted "one" or unity from all the diagonal elements in the Leontief inverse matrix for Maryland before performing the aggregation process described earlier.

After having estimated total indirect interindustry demand for goods and services generated in Region j (Eq. 2.00) for the products of ten major supplying sectors, we need to allocate this demand to the supplying regions, by using a "make" matrix, as described below:

$$(2.01) \quad \tilde{X}^* = B \tilde{X}_j$$

where

- $\tilde{X}^* = (\tilde{x}_i^*)$: vector (8 x 1) showing the supply of the demand for goods and services generated indirectly, by each of the seven regions in Maryland and by the "rest of the world" (i.e., $i = 1, 2, \dots, 8$), where $\tilde{x}_8^* = 0$;
- $\tilde{X}_j = (\tilde{x}_{hj})$: vector (10 x 1) showing the demand for goods and services indirectly generated in Region j, in terms of ten major categories ($h = 1, 2, \dots, 10$);
- $B = [\beta_{ih,j}]$: distribution/allocation (or "make") matrix, in which each element $\beta_{ih,j}$ ($i = 1, 2, \dots, 8$; $h = 1, 2, \dots, 10$; $j = 1, 2, \dots, 7$) shows the proportion of indirect demand for sector h's products generated in Region j that is supplied (produced) by Region i (including the "rest of the United States" or "rest of the world, denoted by Region 8).

It should be noted that there are seven B-matrices, one for each region, to capture as fully as possible each region's functional relationships with the other regions.

B. Effects on Payroll

From the vector $\tilde{X}_j = (\tilde{x}_{hj})$, showing total indirect demand for goods and services generated in Region j, by ten major demand categories ($h = 1, 2, \dots, 10$), we can compute total payroll, by major sector, that will be indirectly generated in Region j, as follows:

$$(2.02) \quad \tilde{W}_j = \tilde{u} \tilde{X}_j^*$$

where

$\tilde{W}_j = (\tilde{w}_{hj})$: vector (10 x 1) of payroll generated indirectly in Region j,

$\tilde{X}_j^* = (\tilde{x}_{hj}^*)$: vector (10 x 1) of output of goods and services supplied by Region j,

$\tilde{u} = [\tilde{u}_{hh}]$: diagonal matrix (10 x 10), in which each diagonal element shows the average payroll/sales ratio for major sector h (e.g., manufacturing, etc.).

The same matrix is used for all regions, since the sectors are defined at a level of aggregation that is unlikely to reveal significant differences among the various regions.

Total payroll generated indirectly in each region can next be computed as

$$(2.03) \quad \tilde{w}_j = \sum_{h=1}^{10} \tilde{w}_{hj}.$$

Total payroll indirectly generated in each region can next be allocated to regions to which the payroll will accrue, on the basis of commuting patterns and differences between places of work and residence.

$$(2.04) \quad \tilde{W}^* = D_j \tilde{W}_j$$

where

$\tilde{W}^* = (\tilde{w}_i^*)$: vector (8 x 1) showing the accrual or distribution of the indirectly generated payroll to each region ($i = 1, 2, \dots, 7$) and to the rest of the world ($i = 8$),

$\tilde{W}_j = (\tilde{w}_{hj})$: vector (10 x 1) showing total indirectly generated payroll in sector h in Region j ($j = 1, 2, \dots, 7$),

$D = [\delta_{ihj}]$: payroll accrual or distribution matrix (8 x 10) in which each element δ_{ihj} shows the proportion of total payroll generated in sector h in Region j accruing to Region i . Note that for accounting reasons, we have:

$$\sum_{i=1}^8 \delta_{ihj} = 1.$$

There are seven D -matrices, one for each of the seven Maryland regions.

C. Effects on Employment

Total employment indirectly generated in each region can be estimated as follows:

$$(2.05) \quad \tilde{E}_j = \tilde{\lambda}_j \tilde{W}_j$$

where

$\tilde{E}_j = (\tilde{e}_{hj})$: vector (10 x 1) showing total employment (man-years) generated in Region j , by major economic sector ($h = 1, 2, \dots, 10$),

$\tilde{W}_j = (\tilde{w}_{hj})$: vector (10 x 1) of total payroll indirectly generated in Region j , by major economic sectors ($h = 1, 2, \dots, 10$),

$\tilde{\lambda}_j = [\tilde{\lambda}_{hh,j}]$: diagonal matrix (10 x 10), in which each element $\tilde{\lambda}_{hh,j}$ shows the ratio of employees per unit of payroll, by economic sector, in Region j .

We can next distribute the indirectly generated employment in each region to the various regions, reflecting commuting patterns and differences between the place of work and place of residence. For this purpose, we can use the same distribution matrices as used in Eq. (2.04), that is, the seven D-matrices:

$$(2.06) \quad \tilde{E}^* = D_j \tilde{E}_j$$

where

$\tilde{E}^* = (\tilde{e}_i^*)$: vector (8 x 1) showing total employment created in each region ($i = 1, \dots, 8$), reflecting place of residence,

D_j, \tilde{E}_j : as described earlier.

III. INDUCED (CONSUMPTION MULTIPLIER) EFFECTS

So far, we have discussed the determination of direct and indirect economic effects of tourist expenditures taking place in any of Maryland's seven regions and the diffusion of these impacts to other regions through interregional economic relationships and through commuter patterns. We assumed basically that enough capacity exists in the economy (within and outside Maryland) to satisfy the direct and indirect increase in demand for goods and services.

Among the various types of economic impact with which we have been concerned, we have determined the total increase in personal income (wages and salaries) directly and indirectly accruing to the residents of each region. At this point, we should note that consumption expenditures out of this personal income will set into motion a new impact stream, leading directly and indirectly to increased output of goods and services, increased personal income, and increased employment. In this part, we describe the determination of these "induced" effects.

To visualize the "induced" multiplier process, it is instructive to look at the process in retrospect, after the total economic impact has taken place. We have here an infinite multiplier process that can be described as follows.

First, we have to combine the results of Eqs. (1.05) and (2.04):

$$(3.01) \quad \Delta Y^* = W^* + \tilde{W}^*$$

where

ΔY^* : total direct and indirect increase in personal income (wages and salaries) accruing to the residents of each region ($i = 1, 2, \dots, 8$);

W^*, \tilde{W}^* : from Eqs. (1.05) and (2.04), respectively.

Through a series of mathematical formulations which we need not repeat here*, we can state the total effect on personal income of consumption expenditures out of this "initial" increase in personal income as follows:

$$(3.02) \quad \hat{\Delta Y}^* = (I - K)^{-1} \Delta Y^{*(o)}$$

where

$\Delta Y^{*(o)}$: same as ΔY^* , where the superscript (o) indicates the initiation of the first "round",

$\hat{\Delta Y}^*$: total personal income that would have been accumulated in each region ($i = 1, 2, \dots, 8$), accruing to the residents of each region, by the end of the n th round,

$$K = \hat{D} \hat{U}^* \hat{M} \hat{\alpha} \hat{U} \hat{\rho}, \text{ where}$$

$\hat{\rho}$: diagonal matrix (8×1), showing the average propensity to consume in each region,

\hat{U} : consumption distribution matrix (8×8), in which each element, u_{ij} , indicates the proportion of total consumption expenditures generated by Region j that is actually spent in Region i ($i = 1, 2, \dots, 8$, with Region 8 representing the rest of the United States or rest of the world),

$\hat{\alpha}$: diagonal matrix (8×8), in which element, α_{ii} , indicates total (direct and indirect) demand for goods and services

* A full derivation of this process can be found in Arthur D. Little, Inc., Technical Memorandum 4, Economic Impact, a report to the Philadelphia Bicentennial Corporation (1972), pp. 31-34.

required from all sectors, regardless of the location of supply, per dollar of consumption in Region i ($i = 1, 2, \dots, 8$), where each α_{ii} corresponds in concept to the sum of the direct and indirect interindustry multipliers in a given column of the Leontief inverse.

M : "make" matrix (8×8), in which each element m_{ij} shows proportion of total demand for goods and services originating in Region j that is supplied by Region i ,

\hat{U}^* : diagonal matrix (8×8), in which each diagonal element shows the average payroll/sales ratio for all sectors, by region, and,

D : payroll distribution matrix (8×8), in which each element, δ_{ij} , shows the proportion of total payroll generated in Region j accruing to the residents of Region i .

From Eq. (3.02), we can estimate total implied increase in demand for the output of goods and services, as follows:

$$(3.03) \quad \hat{\Delta X} = \hat{\alpha} \hat{U} \hat{\Delta Y}^*,$$

from which we can next derive the output (supply) of goods and services by each region as follows:

$$(3.04) \quad \begin{aligned} \hat{\Delta X}^* &= \hat{M} \hat{\alpha} \hat{U} \hat{\Delta Y}^* \\ &= \hat{M} \hat{\Delta X} \end{aligned}$$

where all the terms are as explained earlier and where the resulting vector, $\hat{\Delta X}^*$, is an 8×1 vector.

Next, total "induced" increase in employment can be estimated as follows:

$$(3.05) \quad \hat{\Delta E}^* = \hat{\lambda}^* (\hat{\Delta Y}^* - \hat{\Delta Y})$$

where

- $\hat{\Delta E}^*$: vector of (8 x 1) of employment created in each region,
by place of residence of the employees,
 $(\hat{\Delta Y}^* - \Delta Y^*)$: vector (8 x 1) of personal income (wages and salaries),
created in the course of the income/consumption multiplier process, accruing to the various regions,
 $\hat{\lambda}^*$: diagonal matrix (8 x 8), consisting of full-time
equivalent employment per unit of payroll, by region.

Finally, for use in computing state sales tax revenues, we need to determine total consumption expenditures that would have taken place in each region:

$$(3.06) \quad \hat{\Delta C} = \hat{\rho} \hat{\Delta Y}^*$$

where

- $\hat{\Delta C}$: vector (8 x 1) showing total consumption expenditures
generated by each region,
 $\hat{\rho}, \hat{\Delta Y}^*$: as explained earlier.

IV. COMPUTATION OF STATE TAX REVENUES

The results of the model are finally summarized in terms of (1) total output of goods and services, (2) total payroll, and (3) total employment, by adding up the results of the relevant equations described earlier.

Next, state tax revenues are calculated, by focusing on five major types of taxes: (1) State and county personal income taxes, (2) State sales tax, (3) State corporate and business income taxes, (4) gasoline taxes, and (5) amusement taxes.

The increased economic activity will also lead to an increase in some property tax revenue, license revenue, franchise tax revenue, etc. However, such revenue is difficult to trace directly to the tourist-generated economic activity. Thus, it should be noted that if anything our analysis slightly understates the tax benefits of tourist expenditures.

A. State and County Income Taxes

The State income tax generated in each region is given by the following:

$$(4.01) \quad T_1^I = \lambda_1 \cdot \Delta Y^*$$

where

- T_1^I : vector (7 x 1) giving the total personal income tax generated in each region of Maryland as a result of the direct, indirect and induced effects of tourist spending.
- λ_1 : applicable personal income tax rate. Given the graduated income tax schedule we have had to make some assumptions concerning the applicable rate.
- ΔY^* : vector of total personal income accruing to the residents of the seven regions of Maryland and outside Maryland, as defined above. Note that we are only concerned with the first seven elements of ΔY^* .

There is also a surcharge by region on the State personal income tax. This surcharge is in essence a county tax. It is calculated as follows:

$$(4.02) \quad T_{2i}^I = \lambda_{2i} \cdot T_{1i}^I \quad \text{for } i = 1, \dots, 7$$

where

- T_{2i}^I : regional personal income tax surcharge in region i.
 T_2^I is a 7 x 1 vector.
- λ_{2i} : surcharge rate for region i.
- T_{1i}^I : i^{th} element of T_1^I defined in (4.01) above.

Total personal income tax generated by the direct, indirect, and induced effects of tourist expenditure are obtained by adding (4.01) and (4.02) as follows:

$$(4.03) \quad T^I = T_1^I + T_2^I \quad \text{where} \quad T_2^I = \sum_{i=1}^7 T_{2i}^I$$

where

T^I : vector (7 x 1) of the total personal income tax generated in each of the seven regions of the State.

T_1^I and T_2^I : defined in (4.01) and (4.02) above.

B. Sales Tax

The Sales Tax is computed at three levels of economic activity: the direct level, the indirect level, and the induced consumer multiplier level. Such a division of calculation attempts to take advantage of knowledge of differential impacts of exemptions at each level.

1. Sales Tax at the Direct Level

$$(4.04) \quad T_{1i}^S = \lambda_6 \cdot \lambda_3 \cdot x_i^* \quad i = 1, \dots, 7$$

where

T_{1i}^S : sales tax generated by direct effects of tourist expenditure in region i.

x_i^* : total sale of goods and services in region i (from Eq. 1.02).

λ_3 : proportion of total sales in each region that are subject to the sales tax.

λ_6 : sales tax rate.

2. Sales Tax at the Indirect Level

$$(4.05) \quad T_{2i}^S = \lambda_7 \cdot \lambda_4 \cdot \tilde{x}_i \quad i = 1, \dots, 7$$

where

T_{2i}^S : sales tax revenue generated by the sales of goods and services indirectly demanded as a result of the tourist expenditures.

\tilde{x}_i : total sale of indirectly required goods and services in region i (from Eq. 2.00, where $\tilde{x}_i = \sum_{h=1}^{10} x_{hj}$ for $i = j$).

λ_4 : proportion of total sales of the intermediate goods indirectly demanded that is subject to the sales tax.

λ_7 : sales tax rate.

3. Sales Tax at the Induced Level

$$(4.06) \quad T_{3i}^S = \lambda_8 \cdot \lambda_5 \cdot \Delta X_i \quad i = 1, \dots, 7$$

where

T_{3i}^S : sales tax revenue generated by the sale of goods and services induced by the original tourist expenditure.

ΔX_i : total sale of goods and services induced by the original tourist expenditure in region i (from Eq. 3.03).

λ_5 : proportion of total induced sales of goods and services that is subject to the sales tax.

λ_8 : applicable sales tax rate.

C. Corporate and Business Income Taxes

Corporate and business income taxes are calculated at two levels: (1) direct and indirect, and (2) induced. The calculations proceed as follows: They are conducted for corporations and unincorporated business.

1. Direct and Indirect Effects

First we must return to our original TIAC vector X_j and translate that into the direct and indirect effects generated in each of the MIOC categories. This is accomplished as follows:

$$(4.07) \quad \bar{X}_j = \bar{A} X_j$$

where

$\bar{X}_j = (\bar{x}_{hj})$: vector (10 x 1) of the direct and indirect multiplier effects in each of the 10 major sectors generated by the original \$10,000 worth of tourist spending in region j .

$\bar{A} = [\bar{\alpha}_{hk}]$: matrix (10 x 6) mapping the TIAC categories into the direct and indirect multiplier effects in major sectors.
 $\bar{A} = [\bar{\alpha}_{hk}]$ is merely the standard $(I-C)^{-1}$ Leontief inverse for Maryland (i.e., showing direct and indirect "within Maryland" interindustry multipliers).

$X_j = (x_{kj})$: defined above (see Eq. 1.01).

Given the direct and indirect production of goods and services generated by each major sector, we next identify the amount of taxable profits generated by corporations in each major sector. This is accomplished as follows:

$$(4.08a) \quad P_{1j}^c = \hat{G}^c \hat{R}^c \bar{X}_j$$

where

$P_{1j}^c = (P_{1hj}^c)$: vector (10 x 1) of profits accruing to corporations in each of the major sectors in a given region j (h = 1, 2, ..., 10; j = 1, 2, ..., 7);

$\hat{G}^c = [g_{hh}^c]$: diagonal matrix (10 x 10) in which each diagonal element g_{hh}^c is the ratio of corporate sales to total sales in a given major sector h in Maryland;

$\hat{R}^c = [r_{hh}^c]$: diagonal matrix (10 x 10), in which each diagonal element r_{hh}^c shows the ratio of taxable corporate income to total corporate receipts (sales) in a given major sector h in Maryland;

$\bar{X}_j = (\bar{x}_{hj})$: vector (10 x 1) of direct and indirect demand for the goods and services of major sectors (h = 1, 2, ..., 10) generated in a given region j, regardless of the location of supply (Note: this vector measures sales, assumed to be subject to the sales tax at the point where the demand arises for consumer goods, and at the point of delivery for other goods.

Similarly, the profits of unincorporated places can be estimated as follows:

$$(4.08b) \quad P_{1j}^u = \hat{G}^u \hat{R}^u \bar{X}_j$$

where the terms are conceptually the same as in Eq. (4.08a) but now apply to unincorporated businesses.

Given the taxable profits generated for corporations and incorporated businesses as a result of the direct and indirect tourist - generated economic activity, we must allocate these profits to the regions in which the corporations and unincorporated businesses are located. That is accomplished as follows:

$$(4.09a) \quad P_1^{c*} = D^c P_1^c$$

and

$$(4.09b) \quad P_1^{u*} = D^u P_1^u$$

where

P_1^{c*} : vector (7 x 1) specifying taxable corporate profits accruing to the corporations in each of the seven regions of Maryland. (Note: each element in P_1^c represents a summation of elements in each vector P_{1j}^c in Eq. 4.08a).

P_1^{u*} : vector (7 x 1) specifying taxable income accruing to the unincorporated businesses in each of the seven regions of Maryland. (Note: each element in P_1^u represents a summation of elements in each vector P_{1j}^u in Eq. 4.08b).

D^c and D^u : distributional matrices (7 x 10). D^c distributes the taxable corporate profits generated in each of the 10 major sectors to the regions in which those corporations are located. D^u similarly distributes the taxable income of unincorporated businesses in each major sector to the regions of Maryland in which those activities are located.

Next, we apply the appropriate tax rates to taxable profits.

$$(4.10a) \quad T_{1j}^c = \lambda_9 \cdot \lambda_{10} \cdot P_{1j}^{c*}$$

and

$$(4.10b) \quad T_{1j}^u = \lambda_1 \cdot P_{1j}^{u*}$$

where

T_{1j}^c : corporate income tax generated in region j.

T_{1j}^u : unincorporated business income tax generated in region j.

λ_9 : corporate income tax rate.

λ_{10} : proportion of taxable corporate income allocable to Maryland activity.

λ_1 : personal income tax rate, applicable also to the unincorporated businesses in Maryland.

p_{1j}^{c*} and p_{1j}^{u*} : defined in Eqs. (4.09a) and (4.09b) as individual elements in the two respective vectors.

2. Induced Multiplier Effects

The first step involved here is to divide total induced economic activity $\hat{\Delta X}_i$ into the amount attributable to corporate production and the amount attributable to the production of unincorporated businesses. Since we have $\hat{\Delta X}_i$ by region, we can apply corporate and non-corporate ratios to the total and then apply the relevant taxable income/total receipts ratios and tax rates.

Accrued profits vectors for corporations and non-corporations respectively are computed as follows:

$$(4.11a) \quad P_2^c = \hat{G}^c \hat{R}^c \hat{\Delta X}^*$$

and

$$(4.11b) \quad P_2^u = \hat{G}^u \hat{R}^u \hat{\Delta X}^*$$

where

P_2^c, P_2^u : vector (7 x 1) of profits accruing, respectively, to corporations and to unincorporated businesses in each of the seven regions in Maryland.

\hat{G}^c, \hat{G}^u : diagonal matrices (7 x 7) showing, respectively, the ratio of corporate sales to total sales and the ratio of sales by unincorporated businesses to total sales, in each of the seven Maryland regions;

Having obtained corporate and non-corporate taxable income accruing to each region, we next apply the relevant tax rates to obtain the generated taxes.

$$(4.12a) \quad T_{2j}^c = \lambda_9 \cdot \lambda_{11} \cdot p_{2j}^c$$

and

$$(4.12b) \quad T_{2j}^u = \lambda_1 \cdot p_{2j}^u$$

where

T_{2j}^c : total corporate income tax generated by the induced consumer multiplier effects in region j.

T_{2j}^u : total non-corporate business income tax generated by the induced consumer multiplier effects in region j.

λ_9 : applicable corporate income tax rate.

λ_{11} : proportion of taxable corporate income allocable to Maryland activity at the induced level of analysis.

λ_1 : personal income tax rate.

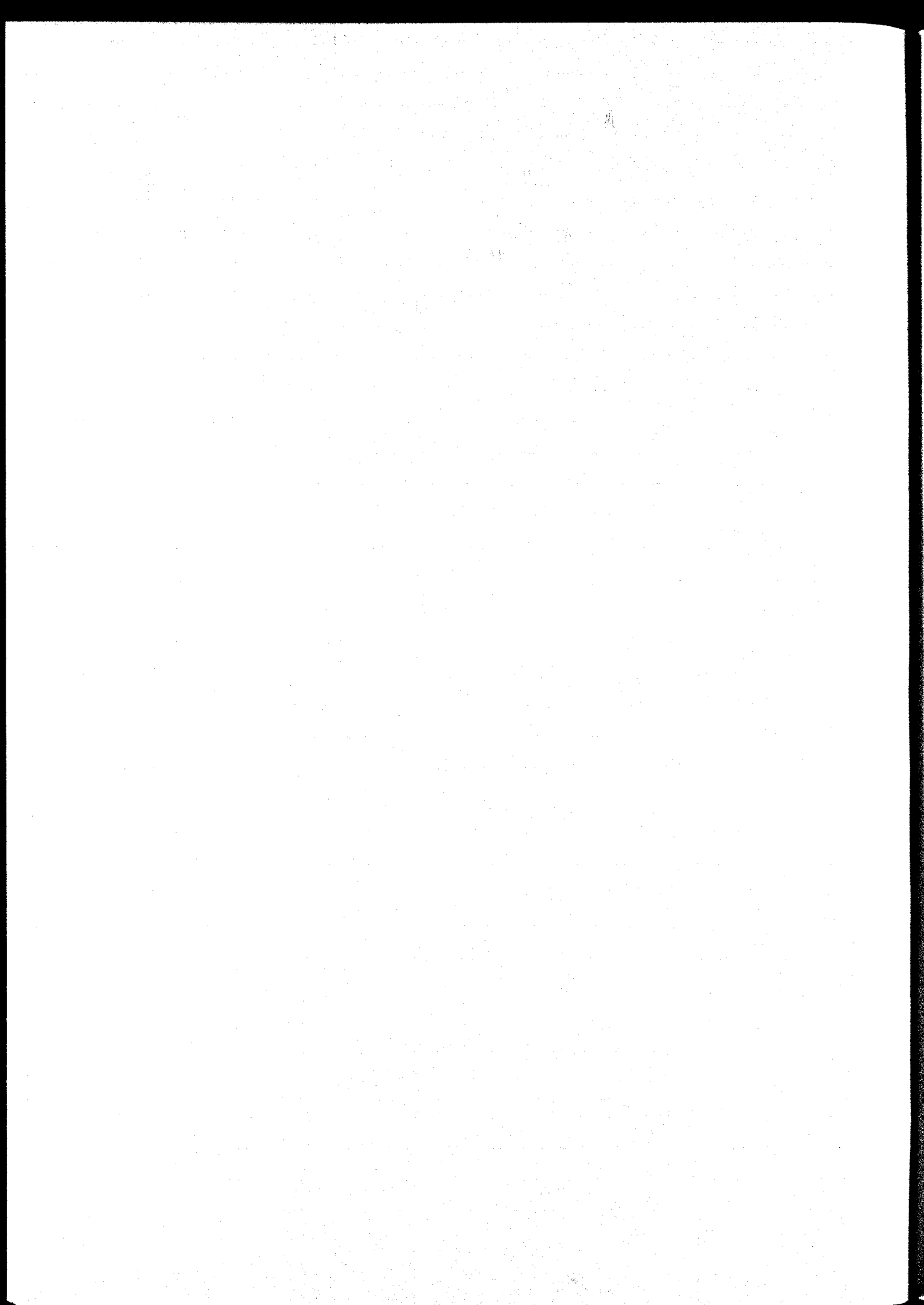
p_{2j}^c, p_{2j}^u : taxable profits of corporations and of unincorporated businesses in a given Maryland region.

\hat{R}^c, \hat{R}^u : diagonal matrices (7 x 7) showing, respectively, the ratio of taxable corporate income to total corporate receipts and, for unincorporated businesses, ratio of taxable income to total receipts, in each of Maryland's seven regions.

ΔX^* : vector (7 x 1) of total direct and indirect output of goods and services by each one of Maryland's seven regions (see Eq. 3.04).

APPENDIX E

COMPARATIVE ASSESSMENT OF CURRENT
STATE TOURISM ACTIVITIES

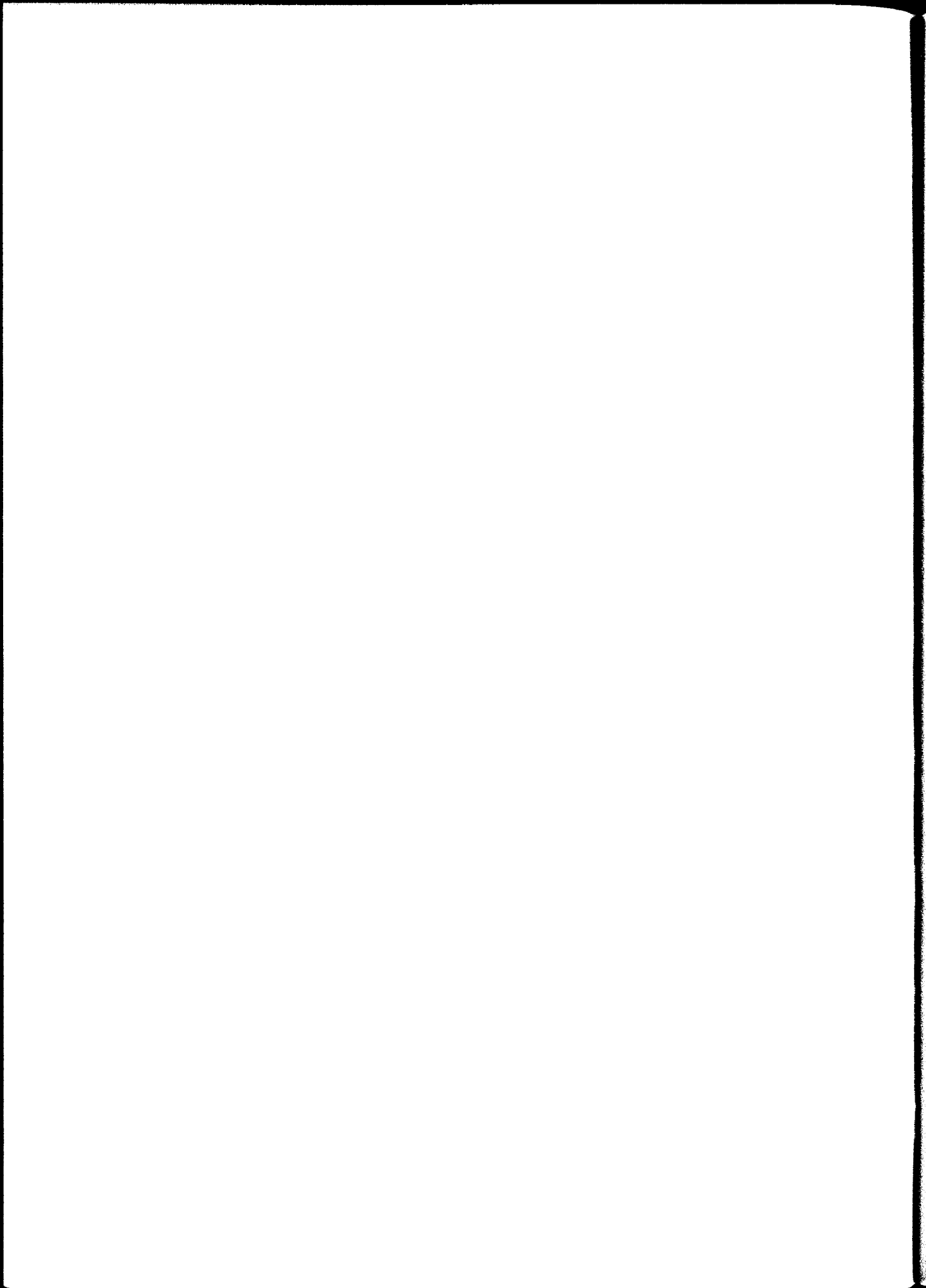


APPENDIX E

COMPARATIVE ASSESSMENT OF CURRENT
STATE TOURISM ACTIVITIES

TABLE OF CONTENTS

	<u>Page</u>
I. Overview	E-1
II. Structure of State Tourism Organizations .	E-3
A. Place within State Government Structure	E-3
B. External Relations and Communication .	E-5
III. Activities	E-7
IV. Research and Analysis	E-10



I. OVERVIEW

Tourism development activities in the states tend to compete with industrial development activities. Legislatures tend to view tourism activity as "not real jobs" since many tourism-related jobs are heavily seasonal. In good economic times tourism tends to be ignored: it takes care of itself, and emphasis can be placed on industrial activity. In poor economic times tourism's importance is amplified as creation of any job becomes important.

Tourism development is not usually coordinated with other state activities. Tourism is extremely fragmented -- a concerted approach does not appear to exist for a continuous planning process involving the development and implementation of effective plans to improve or maintain tourism quality standards. Local agencies tend to have the basic responsibility for planning and implementing, and the state role appears to be one of assistance, guidance and information dissemination. As contrasted to Europe and Canada, the state tourism agencies in the United States lack the businesslike approach, commitment and support that European government agencies enjoy and are struggling with small-scale efforts and low budgets.

In general, state travel organizations perceive themselves as promotion agents. Most of their work revolves around preparing advertising programs, films, brochures, and publications; responding to inquiries; and communicating with special interest groups such as hotel/motel and tour operators, Chambers of Commerce and other local organizations.

In this respect, Maryland's tourism division ranks high among the states. A few state organizations are exercising leadership in tourism activity as a result of either organization or personal leadership. For example, Hawaii's Visitors Bureau is considered to be one of the most effective travel organizations in the country. It has the largest staff, the highest-paid director, the largest budget, and is a quasi-public organization. New York State's Travel Bureau is considered effective due to its director's long experience and individual effort, and due to the continued publication of the bureau's organ, "Vacationlands". South

Carolina's Department of Parks, Recreation and Tourism is the result of rational analysis in combining the traditionally independent parks, recreation and tourism functions.

Some states take substantial advantage of in-state public service advertising, that is, free TV/radio spots offered by the National Advertising Council. Rhode Island has an interesting program in such free advertising. Commercials notify Rhode Islanders that the state tourism agency (Rhode Island Development Council) will send free literature to their friends and relatives living out of state. Such in-state promotion brings to the attention of the local people state attractions and stirs some interest. The equivalent value of public service advertising received by individual states is estimated from a low of \$50 thousand to a high of \$2 million. Some states make heavy use of such programs. Maryland does take some advantage of such advertising.

One of the weakest functions in state travel organizations is measurement of advertising and overall departmental effectiveness. In fact, in the tourism community, this is the controversial current issue. Almost all states claim substantial positive economic impact on the state economy resulting from tourism activities which hopefully the state travel agency helped initiate. However, very few have formal measurement procedures to quantify such claims.

Advertising effectiveness is generally measured in terms of travel inquiries generated. Direct mail promotion, advertising, publicity and other promotional programs are the chief factors responsible for the many travel inquiries to tourism agencies. Maryland distributes in travel shows alone 150 thousand pieces of literature. Some states (for example, Colorado, New York, South Carolina, California) conduct special mail surveys to determine actual conversion. Most states have an informal idea of what advertising and promotion effectiveness is. Some states have advertising campaigns completely independent of other tourism organizations; some coordinate their campaigns with private travel councils, regional councils (Maryland, for instance, coordinates with the Central Atlantic States Travel Council) local hotel/motel associations, local Chambers of Commerce, airlines, county organizations, etc. Cooperative

advertising campaigns are popular as inquiries to the state are referred to regional resort associations for further follow-up and promotion.

The usual assumption in inquiry-related advertising is this: number of inquiries is a function of advertising exposure or size promotion; the higher the exposure the higher the inquiries and the higher the conversion rate. That is, inquiries and visits are positively correlated. Such rationale leads to the conclusion that the number of visitors to a state is a function of the size of the advertising budget.

At least two states are known to have questioned the effectiveness of their travel agencies (as they now exist) and one state has only a token travel organization. In Pennsylvania, a Businessmen's Commission (appointed by the Governor) evaluating the state government has recommended the abolition of the State Bureau of Travel Development. In Michigan, a legislative committee similarly advised the abolition of the Michigan Tourist Council. California, the largest State in the Union, funds its Office of Tourism and Visitor Services with only about \$50,000, only sufficient to carry a liaison function, on grounds that the private sector and local organizations are sufficiently endowed to carry on promotion activities without state support.

II. STRUCTURE OF STATE TOURISM ORGANIZATIONS

A. Place Within State Government Structure

Within the states, the tourism-development activity is usually organized in one of the following three ways:

1. As a division of a state commerce and development department (variously referred to as Department of Commerce, Economic Development, Trade, Labor, Resources, Community Affairs, etc.) or Development Commissions (Industrial Development Board, Council, Commission, etc.)
2. As a division of a state resource management department (variously referred to as Department of Parks, Recreation, Conservation, Game, Natural Resources, etc.) or more specifically as part of the state Highway Department.
3. As an independent state agency (variously referred to as Tourism Council, Travel Commission, etc.)

Tourism and industrial development agencies tend to be parallel departmental divisions. Some states, responding to perceived priorities, have created special development boards, operating outside the auspices of state departments, that report to a department head or secretary. Such boards usually report to independent commissions or to the governor. Alternatively, some states, either in order to enhance tourism's status or because they find it incompatible with industrial development activity, have removed the tourism agency from departmental control to independent status. The following states currently have tourism agencies as part of Economic Development Departments -- Alaska, Arizona, California, Colorado, Delaware, Florida, Georgia, Hawaii*, Idaho, Illinois, Indiana, Kansas, Maine, Maryland, Massachusetts, Minnesota, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Virginia, Vermont, Washington, and West Virginia.

The following states currently have their tourism agency as part of an Industrial Development Commission: Connecticut, Iowa, Mississippi and Rhode Island.

The conclusion of tourism agencies in resource departments reflects a view that tourism is associated with the use of resources and, therefore, it should be managed by those who manage resource facilities such as parks, wildlife preserves, etc. States having tourism agencies in Resource Management Departments are: Arkansas, Nebraska, South Carolina, Michigan, Wisconsin, and Tennessee. Consideration of tourism agencies as in category (a) reflects emphasis in sales. Those agencies in the Highway Department are there clearly because travel and the automobile often are considered to be synonymous. Montana, North and South Dakota, Oregon and Texas**, Wyoming and Hawaii have such agencies.

*Hawaii's Visitors Bureau is a private nonprofit corporation under contract to the state; but the cognizant state agency is the State Department of Planning and Economic Development.

**Texas has two tourism promotion agencies: the Travel and Information Divisions of the Texas Highway Department and the Texas Tourism Development Agency.

Two states which do not belong to any of the three classes mentioned above are Alabama and Kentucky where tourism activities are considered part of the Governor's Office of Public Information. This reflects still a fourth view of the function of a tourism agency: that of public information. This may be the view nearest to reality, since most state tourism agencies as currently constituted provide information and publicize rather than provide policy support and economic development.

The inclusion of a state tourism agency in the State Economic Development Department does not necessarily imply that the counterpart agency (the state Industrial Development Agency) is included in the Department. Conversely, the exclusion of the tourism agency from an Economic Development Department does not necessarily imply the inclusion of an industrial development agency.

The following list shows the states where industrial development agencies and tourism agencies are under different administrative control. States with industrial Development Agencies in Economic Development are: Florida, Montana, Wyoming, Oregon, Kentucky, Nebraska, North Dakota, Louisiana and Texas. In Utah, South Carolina, Alabama, Missouri, South Dakota, Arkansas, there exists a commission or board, while in Virginia, Tennessee and Oregon, industrial development agencies are under the Governor's office.

B. External Relations and Communication

Almost all states have some form of a tourism advisory council. Mostly, such councils consist of area representatives, thus they tend to be large and ineffective. Some states, such as Alaska, Delaware, Kansas, New York, Vermont, Florida, have no formal councils or commissions. Policy is established by the travel director or the development department in which the tourism agency resides. Some members are appointed by the Governor, some by the department head and by the legislature branches (House and Senate). South Carolina, for example, has a Parks, Recreation and Tourism Commission consisting of three commissioners appointed by the House, three by the Senate and three by the Governor. In contrast, the Pennsylvania Advisory Council consists of 18 members appointed by the Secretary of Commerce. In Virginia, the Advisory

Committee consists of 16 members appointed by the Governor. Such councils do not necessarily act as liaison with the legislature on budget or other matters. However, since many council members are appointed from the legislature, obviously an informal communication channel exists. Maryland does not have an advisory council specifically for tourism, although an advisory council exists for the division of economic development, Ocean City Convention Hall, and other tourism related units; the tourism agency does participate in an annual Governor's Conference.

To supplement communication with the travel industry and the local communities and to coordinate promotion, many states are members of privately or semi-privately organized tourism councils. Still others (including Maryland) organize periodic seminars to discuss industry and area issues. Pennsylvania, for example, organizes semiannual workshops for the local TPA's (Tourism Promotion Agencies - multicounty units) to analyze promotion effectiveness, examine new techniques, and to generally provide a forum for exchange of ideas. Illinois, Minnesota, Oregon, Texas, Wyoming participate in such seminars. Industry-sponsored travel councils exist to further promote tourism. Some are simply the State Chamber of Commerce, others are travel associations -- some are funded by membership (where the state is a dues-paying member), others are unfunded. One of the most effective private promotional organizations substantially increasing advertising exposure is the Virginia Travel Council. Maryland has a newly established State Chamber of Commerce, and the Tourism Division has been instrumental in organizing a travel coordinating body called MATE (Maryland Association of Travel Executives). This group contains representation from the three basic tourism components:

1. Facilities representatives - Parks, Highways, Natural Resources Departments, Historical Societies, etc.
2. Accommodations and services - Hotel/Motel, Restaurant Associations, Travel Agents, Marina Operators, etc.
3. Area representatives - Chamber of Commerce, local commissions, community groups, etc.

MATE meets monthly and discusses outstanding issues. It is not a policy-making organization. Neither does it have any operational authority. It is rather a forum to exchange ideas, make representations to the Tourism Division, and in return be exposed to the State positions. The effectiveness of such nonhomogeneous, large groups has been questioned, but nonetheless it is the only formal communication channel within this industry.

III. ACTIVITIES

Some of the activities, other than producing advertising copy and promotion material (brochures, films, responding to inquiries), that traditionally state tourism divisions perform are maintaining strong relations with press and travel writers. Generally, there is a public relations officer whose functions are to create interest with travel writers, organize press tours, suggest stories, maintain contacts with editors, invite foreign travel writers, coordinate with U.S. Travel Service and respond to inquiries for film, photographs, etc. (Judging from the number of stories written in major national publications, it would appear that Maryland's efforts in "using" the press is very successful.) It is customary for state travel agencies to develop displays, exhibits, and participate in travel shows in a number of market activities. Maryland participates in shows in Washington, Cleveland, Cincinnati, and Columbus. Some states, including Maryland, maintain permanent mobile travel exhibits. Still others such as New York, South Carolina maintain information offices in Canada, Europe, and principal cities in the U.S. such as Washington and New York City.

Among the promotional material generated, a newsletter, a calendar of events, hotel/motel directory, camp directory, and directory of state parks and recreation areas are frequently published. Generally (and Maryland is no exception) the first three publications are compiled by the tourism agency and the last two by the state parks or natural resources (conservation, game, fish, wildlife, etc.) department. In general, some states publish an official tourist-oriented magazine. Interestingly, only in a few states is the magazine a product of the tourism agency. For example, "Arizona Highways" and "Texas Highways" are published by

the respective Highway Departments; "Kansas" is published by the Publication Division of the Department of Economic Development; "Minnesota Region" and "Wonderful West Virginia" are published by the respective Departments of Natural Resources; "Mississippi Magic" by the Mississippi Agricultural and Industrial Board; "North Dakota Horizons" by the State Chamber of Commerce, and the South Carolina "Sandlapper" by private subscription. "Incredible Idaho", "Vacationlands, New York" and Vermont Life" are published by their respective tourism agencies, with public funds. New York State's "Vacationlands" is considered to be one of the most informative and useful publications concerning tourism. In Maryland, the "Maryland Magazine" is published by a special section of the Department of Economic Development.

In some states (including Maryland) the issuance of an official state map often becomes a budget issue. Many states maintain and publish an official road map. In Maryland, the State Roads Commission used to carry this function; a map with excellent state tourism information arranged by regions was produced until recently. Since essentially good maps are maintained and published for free by the major oil companies, the issue of the necessity of the state map is always present.

Two popular but not uniformly applied notions are package tours and information centers. Package tours are travel deals which include the cost of transportation, lodging, board, entertainment, etc. Thus, the traveler has a good idea of what a trip or a vacation is going to cost before he leaves home. The facilities that treat the traveler generally pay the travel agent a commission for his services of "selling" the facility to the prospective traveler. Organizing a package tour is a tortuous activity as it involves the coordination and the commitment of a number of travel-related enterprises, such as airlines, restaurants, tour operators, etc. Some states (notably Washington) have sought to coordinate such activity, organize tours, publish catalogues, promote tours, etc. The "package tour" notion is somewhat controversial. By definition, package tours imply rigidity in travel plans. The current common conception of tourism in America quite conversely is flexibility and lack of planning. Since much of the travel is individual auto-

oriented and since, reputedly, much of the current travel is on a non-terminal basis (that is, when one starts traveling, he does not have a specific itinerary in mind - he changes direction, destination easily) package tours seem conflicting with this roaming notion of a tourist. Virginia is not active in this field, while Pennsylvania, although still not yet active, encourages package tour development. Maryland belongs to the latter category. Package tours are successful for terminal locations or resorts such as Colorado, Florida, etc. Maryland, like South Carolina, is a "transit" state. highly auto dependent, unless some special facilities are organized in various regions. On a smaller scale, a number of entrepreneurs in Maryland (restaurant, fishing boat operators) have organized "package deals" independently, which seem to be quite successful.

The operation of welcome centers is a popular activity in almost all states. In general, the state departments of highway construct the welcome centers with 10% state funds on 90/10 federally supported interstate highways or 50% state funds on 50/50 roads or 100% state funds on unaided highways. Tourism agencies operate such centers - that is, provide personnel and information material and refreshments. (In Florida, \$70,000 worth of orange juice is offered annually through the courtesy of orange juice manufacturers.) Welcome centers are considered to be very effective as they provide an opportunity to influence the traveler and also they can act as data collection points. Many states use coded computer cards at welcome centers for market research purposes. Both of Maryland's important tourism neighbors - Pennsylvania and Virginia - have a number of welcome centers (7 each) in relation and in operation and many new proposed. Maryland is planning to build 11 centers, 2 of which are scheduled to be opened in the immediate future. Florida, Georgia, Arkansas, South Carolina, Texas, Washington are states with many centers. Maryland's centers are to be operated by TRA-VEL, a profit organization which will derive its income by selling advertising space but will distribute Maryland's promotional material. A few states have this arrangement and the choice is a matter of policy and judgement on the part of the state government in having immediate control of the operation.

IV. RESEARCH AND ANALYSIS

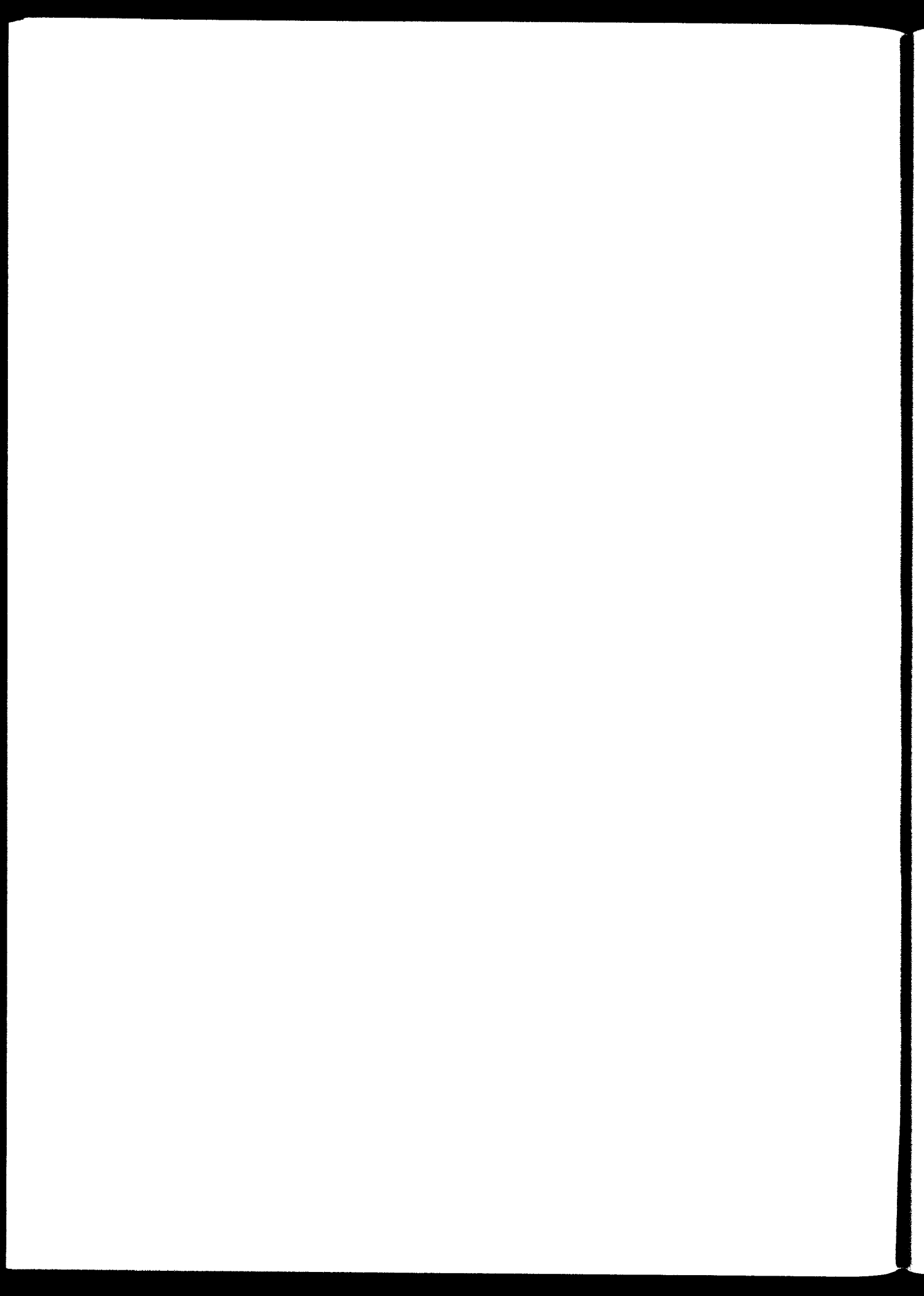
One of the weakest points in state travel agencies is availability and handling of travel data. Most states estimate in some fashion the volume of tourism activity and the economic implications of such activity. Without much analysis, tourism is variously claimed to be the first or second industry in the state. Economic benefits are generally exaggerated. Some of the overstatement is due to the requirement that some kind of justification is needed to obtain financial support from legislative bodies.

The statements made by the various agencies are increasingly questioned by professional and legislative people as evidenced by the willingness to conduct this current study. Some states conduct occasional surveys; others base their estimates on traffic counts, inquiries at welcome centers, tax records, hotel/motel receipts, etc.

Even if some states are successful in performing occasional sophisticated studies, these are seldom done on a continuing basis and even more seldom are findings and results in one state comparable with other states, due to definitional and organizational differences. For example, the term "tourist", the basic element of tourism, is still to be defined satisfactorily and uniformly. Most state tourism agencies list a research director, but these people very often are not professionals in economic and marketing research - rather they simply acquire a title. Some states utilize the state's university for special or continuing tourism research projects (Minnesota, Georgia, Kansas, Utah, South Carolina, South Dakota, Wyoming). Virginia and Florida (successful advertising states) do not have a strong research component. Some states occasionally use the services of outside consultants for research (Iowa, Oklahoma, South Carolina) and still others conduct in-house research (Pennsylvania, New York) through the resources of the tourism agency or the commerce departments' research arm. In Maryland, little formal research is conducted, although theoretically the services of the Office of Economic Research are available to the Tourism Division.

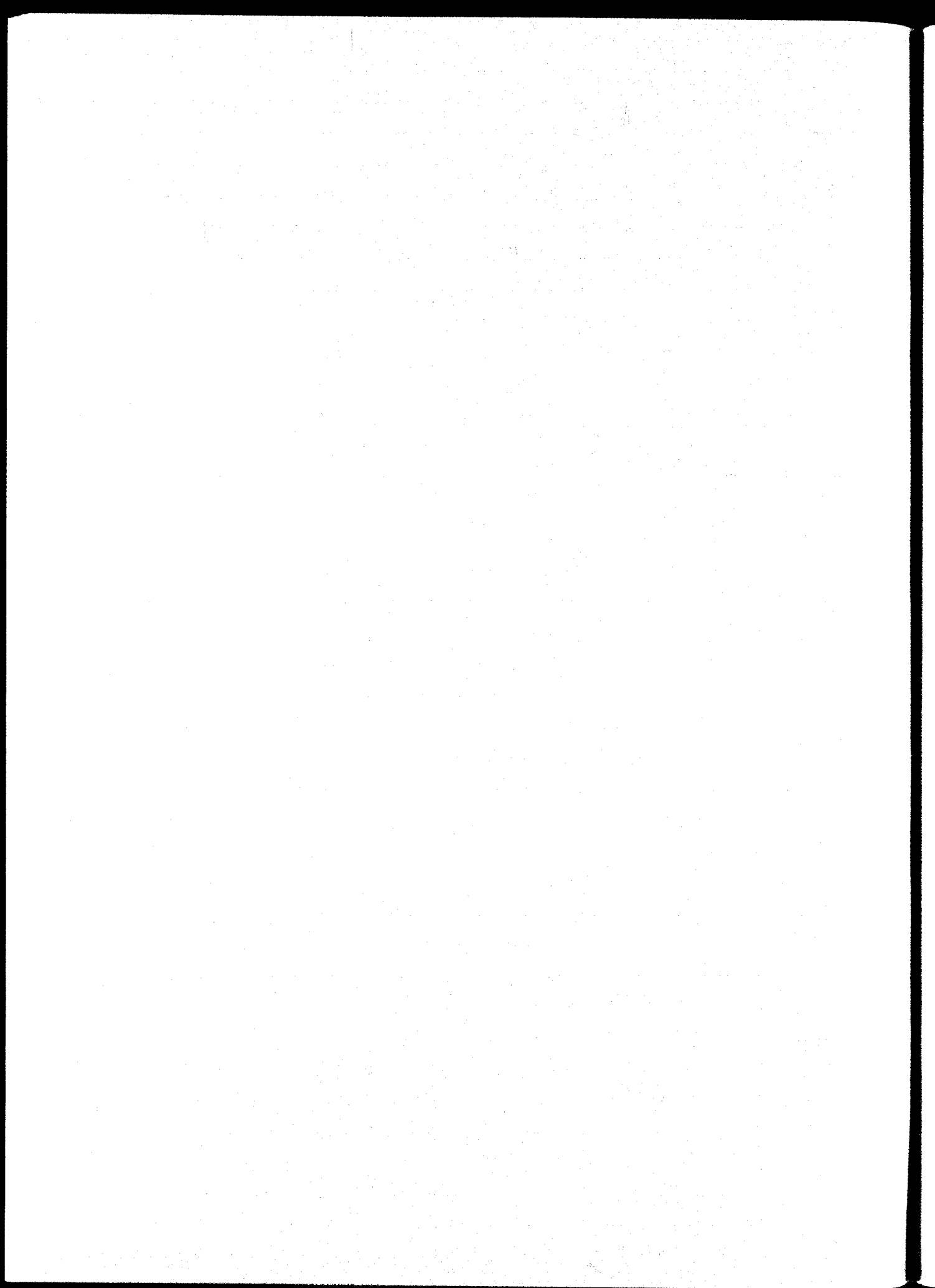
New York has a formal and interesting tourism expenditure monitoring program. The agency distributes about 1.5 million "Vacationlands" booklets

per year. By following up the distribution by special survey, the agency has concluded that the booklet's distribution has returned to the state income over \$150 million. It was determined that of each \$1 invested in printing and distributing of "Vacationlands" results in spending of \$145 in New York State by tourists. Further, for each \$1 invested in this publication, \$7.10 is returned directly to the state through state liquor, tobacco, and gasoline taxes. The tax revenue directly generated by the state's travel promotion program is estimated at \$7.9 million by a total of \$3.6 million generated by the travel industry. The above numbers are impressive and if technically correct are the type of measures necessary to make wise and substantial travel investment decisions, promotional campaign decisions, and policy decisions.



APPENDIX F

TAXONOMY OF THE TOURISM INDUSTRY

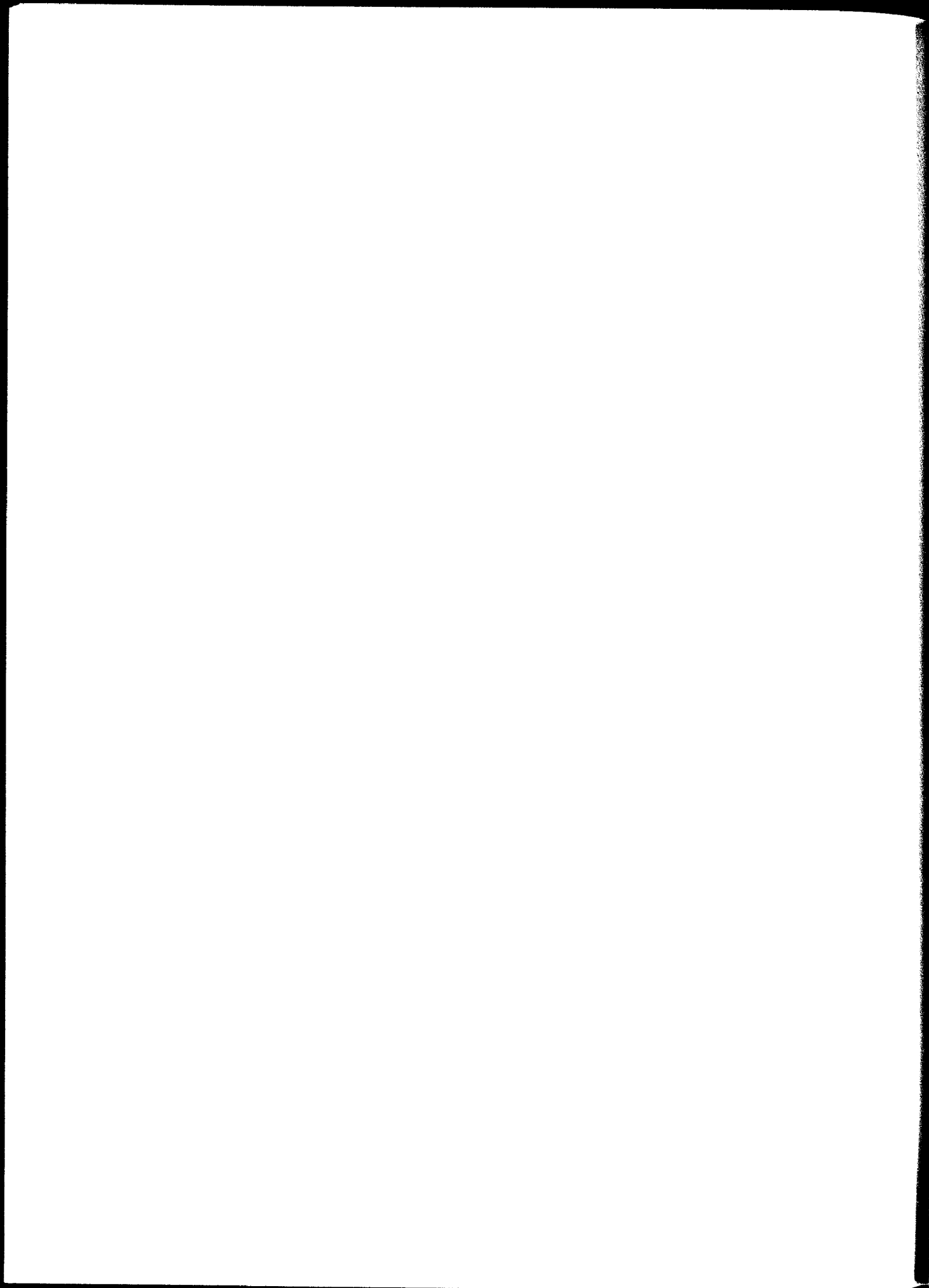


APPENDIX F

TAXONOMY OF THE TOURISM INDUSTRY

TABLE OF CONTENTS

	<u>Page</u>
I. Introduction	F-1
II. Facilities and Services	F-1
A. Classification	F-1
B. Characteristics	F-3
1. Attractor Facilities	F-3
2. Accommodations and Services	F-4
3. Infrastructure	F-6
III. Classification and Characteristics of Participants	F-6
A. State	F-7
1. State Agencies Empowered to Develop, Regulate and Improve Tourism Attraction Facilities	F-7
2. State Agencies Empowered to Maintain and Improve the Economic Infrastructure of Maryland	F-8
B. Local	F-9
1. Local Governmental Agencies Responsible for Economic Development	F-9
2. Local Nonprofit Institutions	F-9
C. Business Groups	F-10
D. Federal	F-11



I. INTRODUCTION

In order to identify pressure points available to State and local government to effect changes and development in the tourism industry, we are interested in identifying the components of the industry and their characteristics.

The tourism industry, unlike a product-oriented industry, is very difficult to constrain by means of definitions. Like transportation, tourism is an activity or process which uses facilities and services to process the units which are being transported (people or goods). Similarly, tourism can be defined as the processing of "tourists" through a set of facilities and services. There are a number of "participants" who influence this process. This section will deal with identifying, classifying and describing this process in terms of (1) facilities and services, and (2) participants. We will not elaborate on the definition of a "tourist" which is the subject of great controversy. For the purposes of this analysis, a tourist will simply be synonymous with a visitor, the user of facilities and services.

II. FACILITIES AND SERVICES

A. Classification

The basic elements of facilities and services can be grouped according to three headings:

1. Attractor Facilities;
2. Accommodations and Services; and
3. Infrastructure;

which describe their main function in attracting and supporting tourism. Facilities and services are further categorized under these three headings as follows:

ATTRACTOR FACILITIES

Nature-Related

Game, Hunting, Wildlife Reserve
Fishing, Boating - Lake, River, Sea
Beaches, Public Parks, Picnic Grounds
Hiking, Riding Paths, Trails

Culture Industry Education-Related

Expositions, Fairs, Horse Shows
Galleries, Museums, Antique Stores
Planetaria, Aquaria
Botanical, Zoological Gardens
Theater, Ballet, Opera, Symphony, Nightclubs
Scenic Railway, Bridges, Structures
Localities

Sports/Recreation-Recreation-Related

Sport and Recreation Camps
Ski Resorts
Public Golf Courses
Amusement Centers
Race Tracks, Arenas, Bowling, Skating Rinks

ACCOMMODATIONS AND SERVICES

Direct

Motels, Hotels, Tourist Courts
Second Homes
Convention Centers
Trailer Parks
Mobile Home Rental
Auto and Boat Rental
Ski, Cable Lifts
Sightseeing Buses
Ferries, Rail, Airlines, Buses
Marinas
Auto Service Stations
Eating and Drinking Places
Department Stores
Sporting Goods, Camera Shops
Gift Shops

Indirect

Local Government Services
State Government Services

INFRASTRUCTURE

Highways

Airports

Ports

Sewers

B. Characteristics

1. Attractor Facilities: Nature-related attractor facilities are generally within the jurisdiction of the public sector (national parks, state parks and forests, city beaches, county picnic grounds) and they have not been exclusively developed for tourism. Such facilities exist because public bodies feel the responsibility of providing local residents with some recreational facility. The Charter of the State Department of Forests and Parks is "the provision of public recreation opportunities on a statewide basis, preservation of scenic preserves, historic sites and natural environmental areas".* Such recreation opportunities are provided not for economic benefit to the State but rather for the general well-being on the State residents.

In general, relatively little added development is necessary to the natural facility--walkways, parking spaces, boardwalks, etc. These facilities are the most difficult to develop as the decision process is highly political leading usually to controversies.

Culture industry education-related attractor facilities are generally within the jurisdiction of voluntary nonprofit organization (historical societies, opera groups, museum boards, etc.) or special government, civic groups or municipal authorities. Most of these facilities are man-made but were not developed originally for the use of tourists. The United Nations, Rockefeller Center, Lincoln Center in New York, Kennedy Center for the Performing Arts in Washington, the Kennedy Space Center in Cape Kennedy and the Hoover Dam are examples. Decision making for the development of such facilities into tourism attractions is a function of the civic pride of local citizens and municipal authorities and economic motivation of owner groups. Similar to the nature-related attractor facilities, the development of the original facilities into tourism facilities is relatively simple--

* Manual, State of Maryland, 1971-1972.

addition of walkways, parking facilities, communication and crowd control systems, structural maintenance, management, etc.

Sports and recreation-related facilities are generally within the jurisdiction of the private sector (Disney World, Six Flags in Georgia, Atlantic City Enterprises) and are developed exclusively for the benefit (or exploitation) of the visitor. Decision making for the development of such facilities rests with private entrepreneurs and is motivated by profit. Some facilities are not attractors in their own right but need the combination of a natural attractor to survive--e.g., an amusement park at Ocean City.

The development of ski resorts has not proven a financial success, particularly when developed and managed by inexperienced people. The development of ski resorts as part of large land development activity (in cooperation with second homes development) is a more viable and popular activity. The development of public golf courses rests on political decision, local land availability and motivation of local leadership. Amusement centers are financially marginal establishments. They are generally local operations.

2) Accommodations and Services: Accommodation facilities are generally within the jurisdiction of the private sector (services, finance, resort industries, etc.). Lodging (motels, hotels, second homes, trailer parks, mobile homes) is the most important component of tourism services. Hotel/motel development is now an institutional activity. That is, with the exception of local residents expanding their homes with a few rooms to qualify for guest houses, there are hardly any new individually owned and operated hotel/motel enterprises. The few remaining "ma-pa" type motels exist only because they have been completely depreciated and have remained family operations. Most of the new hotel/motel development occurs under lease or franchise arrangement. That is, major hotel/motel development organizations such as Sheraton, Holiday Inn, Howard Johnson, et al, decide on a location, then find an investor and build the structure. The key to the location decision is a "feasibility study" which analyzes the potential market and converts

this to an "occupancy rate" and then a "room rate". If a reasonable occupancy rate (such as 70% throughout the year) and room rate can be justified, the structure is then built. Much of the capital is not local. The inverse of this process also occurs but not often. That is, an investor may desire to build a hotel/motel in a certain property and seek the support of a hotel/motel construction and management corporation. Again, the feasibility study is the key.

Second-home development is also an institutional activity. In this industry land developers acquire large areas of undeveloped land which they develop (put in infrastructure) and subdivide into small lots for private home construction. In the process, major recreation facilities such as marinas, ski resorts, golf clubs, yacht clubs, etc. as well as condominium apartments are developed. Further, the developer creates opportunity for new construction, equipment, builders supply, appliance, finance and real estate companies to develop the area. The key to the location decision is ability to acquire land inexpensively. The profit margin is in the land development, not in the subsequent normal operations, such as construction, maintenance, etc. Some of the development organizations have in effect inherited land obtained at minimal cost some time ago, for example, land owned by the forestry division of a forest products or paper company transferred to the land sales division. Or, land acquired from Maryland farmers who had acquired it at, say, a tenth of the current price. The eastern shore in Maryland is very ripe for land development as productivity in agriculture increases, taxes increase and the generation with farm ties disappears.

The lodging component is one of the key components with which the State Government can effect tourism policy (affecting zoning and infrastructure development). Marina development is another facility where state government has a role. Apart from private entrepreneurs who develop marinas with the profit motive, state government has supported local development groups (Crisfield, for example) in developing a marina to attract tourists.

The remainder of the facilities itemized under accommodation services, are developed in response to tourism activity and are the result of individual uncoordinated decision making. Each entrepreneur assesses the market potential and develops the facility without much coordination with state or even local development organizations. Trailer parks tend to locate near nature-related facilities (Assateague Park, for example). Auto service stations are located near high traffic areas. The location decision is made by the oil company and not by the service station operator. Again, the decision is the result of a feasibility analysis relating traffic movement to pump sales.

In analyzing accommodations, one is confronted invariably with the chicken or egg problem. Since most accommodation facilities are within the private sector, locators prefer to minimize risks in locating and thus will develop accommodations where, for some reason, either profits will be guaranteed (urban renewal area--no development costs) or markets are substantial. The private developers will seldom locate with the prospect that tourism will develop later. Hence, motivation encouragement and financial support by the government is important if tourism is to become a major source of income.

3. Infrastructure: Public bodies, such as state and municipal departments, and independent authorities, manage infrastructure facilities. They are the results of anticipated activity and are seldom built exclusively for tourism development, although the latter plays an important role in the planning of such facilities.

III. CLASSIFICATION AND CHARACTERISTICS OF PARTICIPANTS

Participants in the tourism industry (as defined above) can be classified according to geographic scope of focus (state, local, regional, federal) and to ownership (public, institutional, private) as well as to the type of facilities or services as described above. Following such a classification scheme rigidly yields a three-dimensional matrix with many "empty boxes" (e.g., for local institutions providing accommodations); more important, actual participants in the Maryland

tourism industry tend not to fit the boxes neatly. Therefore, we adopted a "mixed" classification scheme under these four principal headings: state, local, business and federal.

A. State

1. State agencies empowered to develop, regulate and improve tourism attraction facilities: Such agencies have jurisdictional control and decision-making authority in the development, preservation and maintenance of shoreline, rivers, watersheds and other state treasures and facilities. These can be classified as follows:

Agencies for preservation and maintenance of the cultural heritage:

- Maryland State Library Committee
- Maryland Historical Trust
- Governor's Consulting Committee for the Natural Register of Historic Places in Maryland
- State House Trust
- Commission on Artistic Property
- St. Mary's City Commission
- Commission on Negro History and Culture
- Arts Council

Agencies for preservation and development and maintenance of natural resources, such as:

Department of Natural Resources

- Department of Chesapeake Bay Affairs
- Department of Game and Inland Fish
- Department of Forests and Parks
- Department of Water Resources

- Governor's Patuxent River Watershed Advisory Committee
- Maryland Environmental Trust
- Scenic Rivers Review Board

Agencies responsible for statewide and interstate planning, coordination, finance and promotion, that is, facilitative agencies, such as:

- Department of Public Improvements
- Department of State Planning
- The Regional Planning Council
- Maryland Commission in the Capital City
- Airport Zoning Board
- Department of Economic Development
- Delmarva Advisory Council

Tri-County Council for Southern Maryland
Development Credit Corporation
Maryland Industrial Development Financing Authority
Maryland Commission on Intergovernmental Cooperation
Appalachian Regional Commission
Interstate Commission on the Potomac River Basin
Washington Metropolitan Area Transit Authority
Interstate Advisory Commission on the Susquehanna River Basin
Northeast Regional Transportation Committee

2. State agencies empowered to maintain and improve the economic infrastructure of Maryland: These include both the physical infrastructure of the State (roads, buildings, airports, transportation facilities, etc.) and the business climate of the State (educated labor force, developed product and factor markets, quality control, etc.). Such agencies maintain standards and operations which affect the climate of business in general and have indirect effects on the tourism industry. For example, the Public Service Commission has jurisdiction over common carriers, sleeping car companies, bus lines, taxicabs, ferries, etc. They are thus a candidate as pressure point to affect certain tourism-development policies, such as campaigns to keep taxis clean, bus drivers courteous, etc. Similarly, the State Police is an agency not directly related to tourism, but charged with the responsibility of maintaining safety standards. While its first objective is protection of property and lives, maintenance of order in public places and maintenance of traffic flow on public streets and highways, it is again a potential pressure point for tourism policy--consider a program of courtesy, special tourism information police, etc. The following lists Maryland agencies related to the development and maintenance of the economic infrastructure:

Development Agencies, such as,
The State Roads Commission
Board of Public Works
Maryland Port Authority
Airport Authority
Metropolitan Transit Authority

Maintenance and Regulatory Agencies, such as,

Office of Highway Safety Coordinator

Department of Motor Vehicles

Traffic Safety Commission

Some agencies in the Department of Licensing and Regulation

B. Local

1. Local governmental agencies responsible for economic development:

These agencies include the town governments and county-supported agencies such as county economic development committees, tourist councils, etc. In general, they are ineffective, underfunded and undermanned. Some of these groups seek the state's help in developing tourism-related projects.

2. Local nonprofit institutions: Local institutions, such as historical societies, museum boards, et al, are not always tourism oriented. For many, the purpose in maintaining historical sites is the perpetuation of culture and the objective is to retain facilities for the use of scholars rather than tourists. Some organizations are active in beautification programs, retaining easements on historic buildings, lobbying for licensing, providing guide services, etc. Many of these organizations are voluntary and always in need of funds. Price and tradition sustains them.

Chambers of Commerce are major participants in the development of tourism activity. Although their constituency are the local business enterprises, Chambers of Commerce do perform substantial amounts of community development work. In small localities, Chambers of Commerce are almost exclusively engaged in promoting tourism. Often they are the only effective local information agency. Chambers of Commerce often are the only contact point and source of information on marketing and development information to small noninstitutional investors. Chambers of Commerce are intimately intertwined with various public, private and public agencies in sharing the task of tourist promotion, industrial liaisoning and developmental planning. They are underfunded and invariably have some representation to county regional tourism commissions and perhaps the state. Chambers of Commerce are instrumental in arranging local special events.

C. Business Groups

Trade associations are often active participants in tourism development. State hotel/motel associations, restaurant associations, campgrounds associations are interested in cooperative advertising programs; mostly, they are lobbying agencies monitoring legislation undesirable to their interests (increase of minimum wages) and support legislation desirable to their interests (reduction of age limit for handling and using liquor). They are primarily interested in protecting and expanding and react to public programs rather than initiate tourism activity. Some of their programs, however, such as management training, seminars, equipment testing services, etc., are indirectly beneficial to quality control aspects of tourism development.

Probably the most important participant is the private enterprises which in themselves can be classified in two groups: large institutional investors and small independent investors. The former (Hilton, Sheraton, Quality Motels, Boise Cascade), while generally availing themselves of all the information in state agencies, make investment decisions quite independently of state support. That is, corporate internal resources are such that they are constantly aware of development possibilities, nationally and internationally and plan their investments. What they mostly need is speedy administration of approval. There does not appear to be a shortage of capital. Large corporations, such as Sheraton, do not invest their own money; rather, they manage individual investors' (such as doctors') money. The decision-making process in such enterprises is highly structured and not influenced by weak, haphazard state and local government development efforts. They can be influenced by well-designed, -researched and -committed state developmental propositions. Communication with state and local government is often poor.

Independent investors are more likely to take advantage of state financing schemes and be influenced by state development funds. The market research capability for such investors is limited, but so is their decision-making capability. That is, such investors tend to decide without exhaustive analysis and without investigation of all the options.

Communication with the state government is almost nonexistent and the nearest communication link is the Chamber of Commerce.

A facilitative participant group is the real estate and finance industry. This industry obviously is influential in location-decision-making, particularly of smaller investors.

D. Federal

Similar to state agencies, federal agencies involved in tourism development are twofold:

Agencies empowered to develop and maintain physical facilities, such as,

Department of the Interior

Bureau of Interior

Bureau of Sport Fisheries and Wildlife

Bureau of Outdoor Recreation

National Park Service

Department of Housing and Urban Development

Community Resources Development Administration

Facilitative Agencies supporting promotion and research, such as,

Department of Commerce

U.S. Travel Service

Economic Development Administration

Federal agencies are perceived to be "wealthy" and supplement greatly the state programs. Federal agencies offer planning, promotion, training, research and development and financial assistance programs to the state. In addition, some agencies carry facility operations responsibility. For example, the National Park Service operates recreation areas of national significance (Assateague Island on the coast contains both a state park and a national seashore area).

